Daily Report

Latin America

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Cuba

Further on Malmierca Remarks at UN Session

U.S. 'Hindering' Esquipulas

FL3009120688 Havana Tele-Rebelde Network in Spanish 1100 GMT 30 Sep 88

[Text] Speaking at the 43d session of the UN General Assembly, Isidoro Malmierca, Cuban foreign minister, blamed the United States for hindering the application of the Esquipulas agreements, maintaining the aggression and destabilization against Nicaragua, and economically blockading that country.

Malmierca also referred to Cuba's pledge to contribute to the growing process of Latin American and Caribbean unity. He viewed the region as being in a dangerous situation due to the economic crisis caused by the foreign debt.

The Cuban foreign minister also broached the subject of disarmament and praised the Soviet-U.S. summit held this past May in Moscow.

On the Palestinian problem, he expressed support for an international peace conference on the Middle East with the participation of all interested parties, including the PLO.

'Satisfied' With 4-Way Talks

FL0110104888 Havana Radio Progreso Network in Spanish 1015 GMT 1 Oct 88

[Text] The 43d session of the UN General Assembly is underway. At the meeting, the Cuban foreign minister [Isidoro Malmierca] said he is satisfied with the seventh round of quadripartite talks in Brazzaville. He also expressed his hope that Namibia will, in the near future, be the 160th member state of the United Nations.

Malmierca reiterated the friendship that exists between Angola and Cuba and he stressed that Cuba is not seeking a military victory but, instead, is encouraged by the desire to contribute to peace.

In reference to Central America, he spoke in favor of peace in the region and praised the work of the Contadora and Support Groups, which he felt should continue their peace efforts.

Malmierca also stressed the example set by the Panamanian people in response to U.S. aggressions. He said that Panama has demonstrated that a people can have enormous strength when they are able to unite in defense of their sovereignty and independence.

Aldana, Dos Santos View Talks, Troop Withdrawal

FL0110004288 Havana Television Service in Spanish 0000 GMT 1 Oct 88

[Text] Angolan President Jose Eduardo dos Santos met in Luanda today with Carlos Aldana, member of the PCC Secretariat. The conversation focused on the recently-concluded quadripartite meeting on peace in southwest Africa. Aldana told PRENSA LATINA that they stressed the constructive attitude of Havana and Luanda in agreeing to incorporate a bilateral matter such as the withdrawal of Cuban troops from Angola into the global solution of the problem. The Cuban leader said this point was analyzed extensively in his meeting with Dos Santos.

Aldana: Talks 'Very Delicate'

FL0110113488 Havana Radio Progreso Network in Spanish 1100 GMT 1 Oct 88

[Text] Carlos Aldana, head of the Cuban delegation at the quadripartite talks in Brazzaville, the Congo, today described the current stage of the negotiating process as very delicate.

In statements made in Luanda, Aldana said that time is running out for a decision on the plan that is currently in effect. He said that this requires a true political willingness from all the parties involved in order to arrive at an understanding.

In reference to the results of the seventh round, Aldana said: Looking at the negotiations as a process, one can speak of progress in a comparative sense.

Havana Reports CPSU Plenum Decisions, Changes

FL3009151188 Havana Radio Reloj Network in Spanish 1425 GMT 30 Sep 88

[Text] The CPSU Central Committee plenum began today in Moscow with the objective of achieving significant structural changes in that organization, taking into account the reform process that is taking place in the USSR. The meeting complies with part of the agreements for a modification of this political organization. A resolution was approved in June to adapt the present structure to the new working conditions created by the changes that have taken place in the USSR. One of those changes is the redistribution of duties among the party and the soviets' deputies. Observers believe that this plenum is significant and is a decisive moment in the furthering of the reforms, or perestroyka.

On Gromyko CPSU Retirement

FL3009152988 Havana Tele-Rebelde Network in Spanish 1356 GMT 30 Sep 88

[Text] The CPSU Central Committee plenum held today in this capital [Moscow] has complied with the request of various party leaders to be relieved of their posts due to their retirement.

Andrey Gromyko and Mikhail Solomentsev have been relieved of their duties as members of the CPSU Central Committee Politburo. Petr Demichev has been relieved of his duties as candidate member of the Polituro, and Vadim Dolgikh and Anatoliy Dobrynin have been relieved of their posts as secretaries of the CPSU Central Committee.

This was announced today in a press confenrence in Moscow by Vadim Medvedev, secretary of the CPSU Central Committee, who was named member of the CPSU Central Committee Politburo today.

Gorbachev Election Noted

FL0110115488 Havana Radio Progreso Network in Spanish 1100 GMT 1 Oct 88

[Text] CPSU General Secretary Mikhail Gorbachev this morning was elected chairman of the USSR Supreme Soviet Presidium. During a special session of the Supreme Soviet, Gorbachev was unanimously elected chairman. He replaces Andrey Gromyko.

FAR, PCC Inspect Havana Defense Preparedness

FL0110013888 Havana Television Service in Spanish 0000 GMT 1 Oct 88

[Text] Maneuvers and exercises of the capital's defense forces have characterized the last 2 days of the working visit to Havana by the PCC Central Committee and the FAR Ministry. The commission's assessment will confirm whether the province is ready to be declared ready for defense, first stage in October.

Various teaching centers were inaugurated, such as the one built in San Miguel del Padron. A considerable increase in organizational and combative preparedness norms were noticed in 10 de Octubre municipality. In Marianao, an airport counter-offensive exercise showed the knowledge of techniques and strategies as well as the heroism of combatants. In Playa municipality, the People's Navy showed a special group of the MTT [Territorial Troops Militia].

[Begin recording] [Unidentified reporter] Do you have experience in these things?

[Navy Captain Rogelio Santos, retired, instructor of the MTT diving group, identified by caption] I had the honor of creating the diving group here in Cuba in 1962. Later, I went to the Army and headed what was called military unit 3073. It was later called independent diving squad. I was there until 1970. That year I, together with the entire unit, went to the Cuban Revolutionary Navy, where I remained until I retired. I retired a few years ago.

[Reporter] But you were not very young when you retired.

[Santos] Well, I was about 66 years old.

[Reporter] And now?

[Santos] Now I am 73.

[Reporter] How are you doing?

[Santos] I feel well.

[Reporter] Do you continue swimming?

[Santos] Up to now I have not had any problems. I feel very comfortable in the water. [end recording]

PCC Communique on Tasks

FL0110145488 Havana Tele-Rebelde Network in Spanish 1300 GMT 1 Oct 88

[Text] The Executive Bureau of the PCC Provincial Committee in Havana has issued a communique in which it expresses its highest recognition and most heartfelt congratulations to the revolutionary people of the capital for their magnificent conduct in the fulfillment of defense tasks. These tasks were observed by the national commission that visited Havana this week to determine if the necessary conditions exist to have a state inspection in October, which will determine whether it is in condition to be declared ready for the defense, first stage.

During these past few days, the members of the defense zones, Territorial Troops Militia, production and defense brigades, reservists, and combatants of the FAR and Minint [Interior Ministry], as well as party, government, and general staff cadres of the UJC [Union of Young Communists] and mass organizations, workers, and the people in general, totally dedicated themselves to the fulfillment of important missions. This was evident by the level they attained in preparations for the defense of the capital.

The comrades of the national commission expressed their satisfaction with the progress made during these past few months in creating the basic study material and organizing all the forces, especially on the last defense day.

The document goes on to note: At each site visited, we observed the sincere desire to do things well and to be truly ready to fulfill any mission whatsoever. We are convinced that although we have to work hard to perfect all defense tasks, we have attained results that allow us to guarantee that the province is an impregnable bastion against which any enemy attack will be dashed to bits.

We feel this is the only true way to respond to the recent call made by the PCC Politburo to elevate labor efficiency and revolutionary combativeness and it conclusively demonstrates that, by overcoming errors and negative tendencies, the people of the capital are carrying out Fidel's ideas on the construction of socialism in our fatherland.

These revolutionary events in the fulfillment of defense tasks that we have seen during the past few days have affirmed the high political-moral level of the people of Havana. This allows us to reaffirm our conviction that in October, after fulfilling production tasks, we will be declared ready for the defense, first stage.

Thus ends the communique issued by the Executive Bureau of the PCC in Havana to the people of the capital.

Dominican Republic

Foreign Ministry To Relocate Haiti's Namphy

FL0110142188 Havana Radio Reloj Network in Spanish 1404 GMT 1 Oct 88

[Excerpt] The Dominican Foreign Secretariat has reported that Former Haitian President Henri Namphy will be moved today from Santo Domingo, capital of the Dominican Republic, to another undisclosed location in the country.

Namphy was declared persona non grata this week by the Senate. He is accused of the death of a Dominican journalist who was covering the thwarted presidential elections in the neighboring island in November 1987. [passage omitted]

Haiti

Avril on Need for Aid; Refuses Comment on Paul

FL3009212488 Port-au-Prince Radio Nationale in Creole 1300 GMT 30 Sep 88

[Excerpts] Washington has expressed its satisfaction with the meetings being held between the government and the opposition. It looks as if Washington sees these meetings as some sort of effort to really implant democracy in Haiti. [passage omitted] Thus, Washington congratulates Haitian President Prosper Avril and opposition leaders. [passage omitted]

From New York, we have learned that President Avril has said he wants to implant real democracy in Haiti—irreversible, unparalleled democracy. [passage omitted]

The president made these statements in an interview in Port-au-Prince that was published in Friday's NEW YORK TIMES. [passage omitted]

General Avril said his first task was to convince the United States to give Haiti economic aid. However, he refused to make any comment whatsoever in reference to Colonel Jean-Claude Paul. In his statements, Gen Avril said this was a military affair and he could not discuss it publicly. He further explained that the security forces in Haiti had been given orders to arrest all drug-traffickers operating in Haiti, especially the Colombians, and that a few Haitian officers holding commands before the coup d'etat were removed because of their close ties to people trafficking in drugs here in Haiti.

Communique Says Colonel Paul 'Retired' by Avril

PA0110035288 Paris AFP in Spanish 0333 GMT 30 Sep 88

[Text] Port-au-Prince, 30 Sep (AFP)—A communique issued in Port-au-Prince states that Colonel Jean-Claude Paul, commander of the Jean-Jacques Dessalines Battalion—the Haitian Army's strongest battalion—was retired tonight by decision of General Prosper Avril, president of the Haitian military government.

The Haitian Government communique briefly states that Col Paul "has met the requirements for retirement," and that his pension "has been fixed at $960."

Replacement Named

PA0110185188 Paris AFP in Spanish 1835 GMT 1 Oct 88

[Text] Port-au-Prince, 1 Oct (AFP)—Colonel Jean-Claude Paul, former commander of the powerful Dessalines Battalion of Port-au-Prince, has accepted his retirement, which was ordered yesterday by General Prosper Avril, president of the new military government, reliable Haitian sources told AFP today.

The colonel left the Dessalines garrison at 0300 (0700 GMT). His subordinates accepted his replacement by Lieutenant Colonel Guy Francois, who will be promoted to colonel as soon as he takes command of the unit.

Francois, who is 35 years old and has just completed a course at the U.S. War College, has been deputy commander of the battalion since January 1986, when Paul was appointed commander.

Francois was second in the 1973 graduating class of the Haitian military academy, which was reopened after the death of President Francois "Papa Doc" Duvalier.

3 Soldiers Board U.S. Plane; Lay Down Weapons

PA0210002088 Madrid EFE in Spanish 2354 GMT 1 Oct 88

[Text] Port-au-Prince, 1 Oct (EFE)—According to a report carried by a local radio station, three Haitian soldiers tried to hijack an American Airlines plane today when it was about to take off for New York.

The same station added that the three soldiers gained access to the aircraft after jumping over the fence around the international airport.

While the plane was on its way to New York, Eric Boucicault, director of American Airlines in Haiti, said it was true that three Haitian soldiers were aboard the

plane. However, he explained that the pilot convinced them to put down all their weapons in the cockpit in exchange for being able to travel to New York without any problems.

Boucicault added that American Airlines flight No 658 is expected at Kennedy International Airport shortly after 2000 (0000 GMT).

Avril, Hebreux Meet With Modelh/PRDH Leader

FL3009171488 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 29 Sep 88

[Excerpts] The head of the military government and Sergeant Hebreux (?today) received the president of the Modelh/PRDH [Democratic Movement for the Liberation of Haiti/Democratic Revolutionary Party of Haiti] at the National Palace.

The men discussed the objectives of the government following the 17 September coup, and the matter of reinstating the Constitution of 1987. They talked about suspending a number of articles in it and about the amendments that should be made to improve the Constitution, following recommendations from a committee that would be formed. They also talked about the mechanisms that should be followed in order to hold a constitutional referendum. The president of the Modelh/PRDH made many suggestions regarding election procedures. [passage omitted]

Also discussed was the need to disarm all civilians, and the measures to be taken to increase Haiti's income and avoid waste and corruption in the public administration.

They stressed the urgent need to begin useful work with a view to addressing a number of needs and providing social justice while at the same time establishing a means of returning to a democratic regime in Haiti

Government Employees Said Returning to Work

FL3009220588 Port-au-Prince Radio Nationale in Creole 1300 GMT 30 Sep 88

[Text] The Immigration Service employees have gone back to work following the installation of Mr (Leslie Lalanne) as assistant director general of immigration.

We have also learned that the Telecommunications d'Haiti employees from the Sans Fils Street office also resumed work yesterday morning while waiting for the new authorities to study the problem.

We have learned that the workers at (?Dudley Sport) in Cite Militaire have been on a strike since last Wednesday demanding a wage increase.

We have learned further that after much protest by the National Postal Service employees against the presence of Mr (Jean Mallet), Mr Jean-Claude Jean-Jacques was installed yesterday as new postal service director general. Mr Jean-Jacques is a long-time employee of the postal service. He was the assistant technical director.

We have learned that all the employees have gone back to work at the Central Bank following the appointment of a board of directors the day before yesterday in place of the one they themselves had chosen. Thus, the employees of the Banque de la Republique d'Haiti have gone back to work.

Also, we have learned from a union source that a delegation of employees from the National Port Authority met at the National Palace yesterday morning with Lieutenant General Prosper Avril, president of the military government, who has promised that their problems will be solved, that they need not worry, and that he will appoint a new director general to head the National Port Authority.

Finally, we have learned that the situation is still tense at Port-au-Prince City Hall between the drivers and Port-au-Prince magistrate Mrs Carmen Christophe. We are following this situation and will keep you informed.

Soldiers Block Highway Over Selection of Chief

FL3009160488 Port-au-Prince Radio Nationale in Creole 1300 GMT 30 Sep 88

[Report from Aquin correspondent Julio Appolon]

[Excerpts] Since Wednesday, there has been a quarrel between the representative of the Department of the Public Prosecutor, Yves Neptune, and a sector of the population in Aquin.

On Wednesday afternoon, there were rumors in Aquin that after the sovereign people removed Neptune and replaced him with (Rene Lalanne), Justice Department Director Yves Barbot wanted to reinstate Neptune. Indeed, on Wednesday evening, a big Pajero jeep arrived from Port-au-Prince and went to the barracks. The next day, Neptune presented a letter of recommendation, and the soldiers immediately turned the court over to the former representative of the Department of the Public Prosecutor, Neptune [words indistinct] take back his place.

However, we must tell you that the soldiers were as angry as Moray eels, for two main reasons: first, because they do not want the commanding officer sent to them, Mr Gerard Pierre-Louis. The soldiers say it is they who have the weapons. They say that they made a decision and their decision was overridden, and that [words indistinct]. Second, they do not want Neptune. They have removed him, and he may not be reinstated, they say.

For this reason, there was shooting in Aquin throughout the night of 29 September. When we met with the soldiers, they told us they do not want Pierre-Louis as commanding officer of the Aquin District. They want

(Michelange A. Noel). Furthermore, they said they had resolved to "uproot" Yves Neptune because of the vile acts he was in the habit of committing.

For all these reasons, they have set up barricades along National Highway No 2, where tires have been burning since early this morning. Traffic between Les Cayes and Port-au-Prince has been interrupted.

Enlisted Men Arrest Suspect in Athis Murder Case

FL3009191988 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 29 Sep 88

[Text] Four enlisted men from the Haitian Navy yesterday arrested David Philogene, the (Opak) section chief accused in connection with the death of Louis Eugene Athis, leader of the Modelh/PRDH [Democratic Movement for the Liberation of Haiti/Democratic Revolutionary Party of Haiti] on 2 August 1987. The enlisted men wanted to take Philogene to Port-au-Prince, but the commanding officer of the Leogane subdistrict intervened and made them turn Philogene over to the barracks in Leogane. The commanding officer of the subdistrict of Leogane confiscated the weapons of the Haitian Navy personnel.

We point out that the population of (Opak) yesterday held a demonstration to ask that the authorities appoint another section chief.

Philogene's Weapons Seized

FL3009214188 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 30 Sep 88

[Report by correspondent Jean Wilfrid Napoleon from Leogane]

[Excerpt] [Passage omitted] According to our most recent information, the subdistrict commander has written his superiors about the David Philogene case. Philogene is accused of having murdered Louis Eugene Athis. The commander is waiting for instructions from his superiors.

Also, contrary to what has been reported, it was not the weapons of the enlisted men from the Haitian Navy that were confiscated. Instead, the Navy personnel seized David Philogene's weapons, and these are the weapons the subdistrict commander took from the soldiers.

'Brigades' Group Seeks Justice Before Elections

FL3009194588 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 29 Sep 88

[Text] The Federation of Brigades of Port-au-Prince [Federasyon Brigad Nan Potoprens] has issued a press release in which it expresses its thoughts on Haiti's situation and reproaches those who are calling for elections right away. The federation's note says: We, whose brothers and mothers died in front of the polling stations on Ruelle Vaillant and in the Artibonite; we whose husbands, sisters, and brothers had their guts spilled, or were barbecued, or shot dead at St Jean Bosco Church, declare that not until we can feel the desire of the government in power to give us justice, not until it sets public action in motion against all the criminals, will we follow the path outlined for us, with all the traps it contains.

This is to say that these brigades do not at all believe in this business of elections for the time being—not until there has been a thorough cleanup in the way things are being run, not until there has been a trial, and not until all the victimized people have been given justice.

Labadie Group Leader Warns of Vengeance Seekers

FL3009212088 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 29 Sep 88

[Excerpts] There was a demonstration in Jacmel today. The demonstrators shut down city hall and the civil court. They also shut down the prefecture.

Also, the people of Labadie are asking for justice, in order not to be forced to take revenge themselves. There has been no change in the third [communal] section, they say. They report that section chief Esperance Charles, who took part in the massacre of the Labadie youths, has sought refuge at the barracks. We interviewed Serges Desroches, a member of the Labadie Youth Movement [MJL].

[Begin Desroches recording] We have noticed that the same old criminals—Napoleon and Kebreau, and Esperance Charles, and Baguidy's prefectural agents—are now the people in charge of the third section. Yet they did all kinds of things! We see a violent revenge coming, which we would like to avoid. We see that if the Haitian authorities don't take rapid measures—and as an organization, we want to warn the nation—if justice is not dispensed, revenge may be taken. If this occurs in the third section, it is going to be terrible. That is why we want to tell the authorities that if they want to do something serious, they must quickly arrest these men. [passage omitted]

Esperance Charles, who was section chief for the third section, has taken refuge in the barracks in Petite Riviere. [passage omitted]

There is no section chief right now. It is Napoleon, Kebreau, and Baguidy's prefectural agents who are governing the section, and I consider this a kind of provocation. It is these same men who fired on Labadie. [passage omitted] We of the MJL notice that there is much tension, and there could be a terribly violent incident. We do (?not want such) violence. We are struggling to have justice and democracy make headway. [passage omitted] The authorities must take measures to avoid violence. I reiterate this, and I ask that everyone note it. [end recording]

Militarymen Threaten Radio Station Director

FL3009214088 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 30 Sep 88

[Excerpt] Two members of the Armed Forces wearing blue uniforms went to the residence of Jacques Sampeur, director of Radio Antilles-Internationales, in Petion-Ville this morning and very arrogantly asked to see him. These militarymen even threatened to break the windows in the house if Sampeur did not come down quickly to talk to them.

Jacques Sampeur hastily called the Petion-Ville barracks. Meanwhile, one of the policemen at his door even fired into the air. The Petion-Ville barracks informed Sampeur that they had not sent any soldiers to arrest him, and they sent five members of the Armed Forces to set things in order. The soldiers from the Petion-Ville barracks arrived after some 20 minutes, and the first two men had time to flee. The Petion-Ville barracks soldiers said that there were several people dressed in olive-green these days who were going around committing extortion. [passage omitted]

De la Madrid To Visit Cuba After Summit
FL0110153988 Mexico City NOTIMEX in Spanish 1524 GMT 1 Oct

[From the "Political Parties/Newspapers" section]

Mexican President Miguel de la Madrid Hurtado will make a state visit to Cuba after attending the second summit of the Group of Eight from 27 to 29 October.

Gorbachev Accepts Invitation To Visit Country
FL0110020288 Mexico City NOTIMEX in Spanish 0139 GMT 1 Oct 88

[Text] Mexico City, 30 Sep (NOTIMEX)—Soviet Ambassador Rostilav Sergeyev stated today that so far there is no set date for Mikhail Gorbachev's visit to Mexico but the invitation made by President Miguel de la Madrid has been accepted.

Interviewed at the Mexican Senate after he paid a courtesy visit to Emilio M. Gonzalez, leader of that legislative branch, he confirmed his country's intention of strengthening friendship ties between the two countries.

He spoke about the USSR's restructuring in all areas and noted the importance of perestroyka. Likewise, he commented on the departure of Andrey Gromyko from the Politburo. He said Gromyko has been a prominent figure since 1957.

Sergeyev explained that with his 79 years, it is not easy for Gromyko to continue working at the top position of the Soviet Union; thus, he had to be replaced.

Sergeyev also referred to the situation in Central America and stressed the need of giving the countries of the area the possibility of deciding their own destinies without the United States interfering in domestic matters.

Report Notes Increase in Government Revenues
PA2909234788 Mexico City UNOMASUNO in Spanish 24 Sep 88 p 13

[Summary] According to the Finance and Public Credit Secretariat [SHCP], the Mexican Government's revenues from January to August 1988 totaled 46.3 billion pesos, which represents a 4.2-percent increase over the same period in 1987. Nonoil revenues grew 19.1 percent while net oil revenues dropped 15.8 percent because of the international slump in oil prices.

Overall income tax collection increased by 21.4 percent as a result of a 39.3-percent increase in income tax payments by corporations.

The SHCP noted that revenues from the value added tax increased 6 percent because of the opening of Mexico's economy to foreign trade and measures to coordinate federal and state tax collection. In addition, revenues from the special tax on production and services increased 9.9 percent in real terms.

Costa Rica

Arias on Nobel Prize, Future of Esquipulas Plan

PA3009173388 San Jose Radio Reloj in Spanish 1200 GMT 30 Sep 88

[Text] President Oscar Arias Sanchez said that Mikhail Gorbachev and Ronald Reagan did not deserve to win the Nobel Peace Prize because they sought to solve Central American problems through armed conflict. From this corner of the world, I want to say sincerely that 28 million Central Americans would not have understood if those gentlemen had received the prize, Arias noted.

The president made those comments while admitting that mankind is indebted to the leaders of the world's two wealthiest nations—the two superpowers—because they had the courage to reach an agreement to limit intermediate-range nuclear weapons.

Arias Sanchez said: Today, I feel very happy; we must thank the United Nations for silencing the war cannons in the Persian Gulf, in the bloody war between Iran and Iraq, and in Afghanistan. Arias reiterated he is happy that the Nobel Peace Prize was awarded to the UN Peacekeeping Forces, known as the Blue Helmets. Arias Sanchez added: I feel the committee in Oslo, Norway made the right decision by choosing the UN Peacekeeping Forces for the award, although there were other candidates. One candidate was Nelson Mandela who has been in prison for many years simply because he was born black.

Castro's Role

PA3009221588 Panama City ACAN in Spanish 1229 GMT 30 Sep 88

[Report by Andreu Claret on "exclusive" interview with President Oscar Arias in San Jose on 30 September]

[Text] San Jose, 30 Sep (ACAN-EFE)—Cuban Leader Fidel Castro "can do a lot" to promote the peace process in Central America, President Oscar Arias said today in an exclusive interview for ACAN-EFE in which he analyzed the regional situation.

Arias, who met with Fidel Castro in Quito, Ecuador, on 10 August, will meet with Salvadoran guerrilla leaders from 7 - 8 October in San Jose as a result of Castro's efforts, which a Costa Rican cabinet member described as very influential.

According to Arias, "Fidel can persuade them" (the Salvadoran and Guatemalan guerrillas) because "as a revolutionary, he is committed to the guerrillas."

Within the same context, Arias described as "encouraging" the fact that Guillermo Ungo—Salvadoran leftist leader—will be a presidential candidate in the upcoming elections in that country.

"That is another positive aspect of the peace plan," Arias said, stressing that this would have been "unthinkable" before the Esquipulas agreements.

The Costa Rican president believes that peace in the region can only be achieved "if Reagan and Gorbachev work toward that end."

"At this time, the two leaders are still viewing military options," Arias said, adding that "Many people are not happy with the Esquipulas peace agreements, even though they comment favorably on them."

Regarding criticism from the Reagan administration, Arias said that "They have done everything possible to prevent the advancement of the Esquipulas II agreements."

However, in another part of the interview, Arias admitted that "The only way we can move forward is with Washington's support." He said he hoped to receive "greater support" from the next U.S. president.

Arias was optimistic about the future of the Esquipulas peace plan, which was signed by the five Central American presidents in Guatemala on 7 August 1987. Arias was a main promoter of the plan and received the Nobel Peace Prize as a result of his efforts last year.

"The plan is still alive, even though it has not been possible to silence the rifles and cannons," he said.

He admitted, however, that "Permanent dialogue would become a mockery of the peace process" if the plan produces no results, clearly referring to the attitude assumed by the Sandinist Government.

Arias said that "The hardliners are imposing their position" in Nicaragua, both on the side of the "contras" and the government. He added that in order for the dialogue to succeed "It is necesary for Ortega to release the Nandaime prisoners," who were arrested during an antigovernment demonstration in mid- July.

According to a source close to President Arias, he has sent four messages concerning the prisoners to the Nicaraguan leader in the past few weeks but "no response has been received."

Costa Rican Government sources said that Arias will discuss the release of the "Nandaime prisoners" with Spanish Prime Minister Felipe Gonzalez during his visit to Spain on 15 October, at which time he will request Gonzalez' mediation with the Sandinist leaders, "whom (Gonzalez) could influence more than anyone."

On several occasions, Arias criticized what he described as "two extreme positions" assumed by most countries in the area; some governments "do not want to negotiate

with guerrillas unless they lay down their weapons," and, on the other hand, some guerrillas "refuse to lay down their weapons unless their political demands are met."

Arias rejected the U.S. Government's position that "military pressure" on the Managua government must be maintained in order for Managua to agree to democratize the country's political structures.

"Contras are part of the problem, not the solution," Arias said, stressing that "All the positive steps taken so far have been because of the peace plan and not war."

Arias expressed his hope that the next summit of Central American presidents scheduled for 12 - 15 November in El Salvador will help solve the conflict between Honduras and Nicaragua, which has blocked the peace process in the area.

Honduras has refused to participate in regional meetings with the Sandinists unless Nicaragua withdraws the charges it filed at the International Court of Justice at The Hague against Jose Azcona's government for its support of the "contras," who maintain approximately 13,000 armed men in Honduran territory.

"The day hostilities end, the contras must enter Nicaraguan territory," Arias said. He was cautious regarding the role played by the Verification Commission—made up of Spain, Canada, and the FRG—which according to the Esquipulas II agreements is in charge of supervising compliance with the peace agreements.

Arias expressed his disappointment for "the great indifference shown by the European democracies" regarding Central American events.

He regretted the fact that European countries "which supported the peace plan" now hesitate to "raise their voices in censuring the governments that have not complied with the agreement."

Arias, who will meet with Spanish King Juan Carlos I and Felipe Gonzalez in mid-October when he will receive the Prince of Asturias Prize, stressed that "Spain's voice must be heard again in Central America."

President Arias appeared troubled by the criticism from the country's media regarding the progress made toward implementing the Esquipulas agreements.

"The peace plan has complicated the situation for them," Arias said. Arias feels that this criticism comes from "those in favor of military action in Nicaragua."

Trade Barriers With El Salvador Eliminated

PA0110044488 San Jose LA REPUBLICA in Spanish 24 Sep 88 p 39

[Text] Costa Rica and El Salvador have ended a trade strike which had paralyzed business transactions between the two countries.

In accordance with negotiations between El Salvador's and Costa Rica's economy ministers on an agreement to normalize and reactivate trade, the Salvadoran Government reported yesterday the elimination of tariffs on merchandise imported from our country.

The Costa Rican Central Bank eliminated the 50 percent deposit on Salvadoran imports. In addition, the Central Bank eliminated the 20 percent deposit that Costa Rican exporters had to make on sales to Salvadoran markets.

As of 16 September, the Costa Rican Economy Ministry eliminated the need for import permits for Salvadoran products. Economy Minister Antonio Burgues said this way both countries will be in compliance with a pact agreed upon several days ago to do away with trade barriers and normalize trade.

Government Releases Unemployment Figures

PA3009231188 San Jose Radio Impacto in Spanish 1830 GMT 30 Sep 88

[Summary] A study carried out by the National Planning and Economic Policy Ministry indicates that the country needs to generate at least 28,000 new jobs each year so that the current unemployment rate of 5.6 percent—one of the lowest on the continent—can be maintained. By the year 2000, the working population is expected to reach 1.4 million workers—about 400,000 more than at present. The Arias administration promised to create 25,000 new jobs each year, which, according to the administration, has been surpassed. Most new jobs are in the private sector.

El Salvador

Duarte Warns of Death Squad Reactivation

PA3009235188 San Salvador Canal Seis Television inSpanish 0200 GMT 30 Sep 88

[Report by Carlos Armando Rivera on interview with President Jose Napoleon Duarte and Defense Minister General Carlos Vides Casanova on 30 September; place not given—recorded]

[Excerpts] [Rivera] President Jose Napoleon Duarte said today that it is possible that death squads might be reactivated in El Salvador in view of the warning given by a former Army colonel that right-wing guerrillas would be organized if the United States once again imposed a Christian Democratic [presidential] candidate on the country.

The president accused Colonel Sigifredo Ochoa Perez, ARENA [Nationalist Republican Alliance] legislator and vice-president of the Legislative Assembly, of having a violent and nondemocratic nature.

[Duarte] Just think what it would mean to have right-wing guerrillas. Quite simply, he is telling us that he is going to reactivate the death squads, and that is serious. The people have got to watch out for that sort of thing because it is a threat to everyone. You see, their [ARENA's] position is: Either we win or we win. This position itself shows that they do not believe in democracy [words indistinct]. [passage omitted]

[Vides] If there is a guerrilla force—be it left- or right-wing—there will have to be a government to fight it regardless of which direction the violence comes from. But I think what he [Ochoa] meant to say was that they [ARENA] will not accept the imposition of a president upon the country and neither will we. What we want is for the elections to be totally free, for the results to be respected, and for the will of the people to be honored. [words indistinct]

[Rivera] Has there been an attempt by the United States to impose a Christian Democratic candidate?

[Vides] Not that I know of. I think the elections are gradually becoming cleaner and the election process more sophisticated, so it would be difficult even for us to impose a particular candidate. Perhaps there are some who wish we could return to old times in this regard. [passage omitted]

ARENA on U.S. Plan To 'Install' President

PA2909183188 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 28 Sep 88

[Report by Rene Hurtado]

[Text] At 1200 on 26 September, Colonel Sigifrido Ochoa, a deputy of the Nationalist Republican Alliance, ARENA, answered questions concerning a U.S. plan to install Fidel Chavez Mena as Salvadoran president in 1989. He stated clearly that if it is proved the United States is trying to impose Chavez Mena as president of El Salvador, ARENA would become a right-wing guerrilla group and he would become a member to fight the anti-ARENA measure.

[Begin Ochoa recording] We would undertake national guerrilla warfare and [words indistinct] frustrated people could take such action. I say this [words indistinct] the Army and if need be to defend the country from such a situation, I would take my suit off and do what I have to do; we would defend the peoples's will.

We believe the U.S. Government would be making a mistake. I hope and believe the new U.S. ambassador to El Salvador will not make the same mistakes as his predecessor. The former ambassador was involved in everything in the country, and the Salvadoran people do not want any more impositions, they do not want Christian Democratic governments; they want a change. We can be friends and allies of the United States, but not a U.S. colony. We can be friends, or we can be friends [words indistinct] of the Soviet Union or Cuba. We simply want to be treated with respect. [end recording]

U.S. Advisers 'Strategists of Genocide'

PA2909220388 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 29 Sep 88

[Unattributed commentary: "Presence of U.S. Advisers in El Salvador"]

[Text] The U.S. media has reported that U.S. military advisers in our country used their weapons during the FMLN occupation of El Paraiso Garrison. This report is of great importance in understanding the conflict in our country and seeing where it is leading.

First, we must ask ourselves what U.S. advisers are doing in El Salvador. More than 200 U.S. soldiers were sent to our country by the Reagan administration to train and, above all, to direct the puppet army. They do not bring peace, but war. They turn young soldiers recruited by force into murderers of their own people, executioners of their own families.

Last week, a group of soldiers trained by U.S. advisers killed 10 peasants in San Francisco Canton, San Vicente. U.S. advisers are the architects of the scorched earth strategy, owners of strategic villages, experts in indiscriminate bombings, specialists in cutting water off from the people. In one word, they are strategists of genocide.

In 8 years, Salvadoran blood has been shed abundantly, while the United States provides the bullets, bombs, planes, and dollars that kill civilians. In 8 years, dozens of towns have been razed, the poor people's crops destroyed, and more than 60,000 people have been massacred without any mercy.

U.S. advisers are here in a criminal effort to prevent the Salvadoran people from becoming free and building their own future. They make war, but do not want to suffer the consequences of war. They do not want U.S. citizens killed, crippled, or lost in action. Vietnam was a terrible lesson. Therefore, they keep their advisers in supposedly safe places: their garrisons. Advisers are asked to stay away from the line of fire. Of course, they would not do that anyway. Rambo only exists in the movies, where bullets are fake. The truth is the FMLN attacks and destroys garrisons. There is no safe place for the Armed Forces. The occupation of garrisons shows the advancement and military ability of the revolutionary army. The action in El Paraiso will not be the last. At any time and in any garrison, the revolutionary weapons can suddenly roar and sweep out the enemy's physical installations and active forces. U.S. advisers are part of those active forces. They make war on us. They are our

forces' permanent military targets and we are looking for them. He who lives by the sword shall die by the sword. Meanwhile, the puppet colonels should realize that in the end, these West Point guys are not going to save them.

Ungo Denies Reports of Presidential Candidacy

PA3009190388 San Salvador Canal Doce Television in Spanish 0300 GMT 30 Sep 88

[Report by Ernesto Rivas]

[Text] The Democratic Merger has appointed Dr Guillermo Ungo and Mario Roni Roldan as the party's candidates for president and vice president, respectively.

[Begin recording] [Rivas] Dr Guillermo Ungo has denied these reports, which have been confirmed by our "Up To Date" newscast. Ungo said the party will be holding elections for these positions at a convention scheduled sometime within the next few days.

[Ungo] Our party will decide in the next few days; therefore, it is too early to make such a claim. In addition, we also need to examine a rumor currently circulating about the possibility that the upcoming presidential elections will also serve to elect deputies to Central American parliament. Some say we will have to win these positions away from the Nationalist Republican Alliance.

[Rivas] Dr Mario Samayoa was then criticized for questioning the Democratic Merger's participation in the upcoming presidential elections.

[Unidentified speaker] We are not going to withdraw from the elections. If anyone wants us out, that person will have to remove us by force. We have decided to participate in the elections, and we will do so until their very end [words indistinct]. Dr Samayoa's attitude does not correspond to his position as Central Electoral Council president. We should consider asking him if he has any leads as to who will murder us to make us withdraw from the elections. Perhaps he has heard who is plotting to kill some of us to make us withdraw from these elections and then base his statements on this because he seemed fairly sure when he said we were looking for a dead person.

[Rivas] Dr Ungo added that Samayoa is the least qualified to speculate on the Democratic Merger's political will and that as Central Electoral Council president, he should promote and encourage the participation of all registered political parties. [end recording]

Dissident PDC Group, Merecen Form Alliance

PA0310044388 Panama City ACAN in Spanish 2345 GMT 2 Oct 88

[Text] San Salvador, 2 Oct (ACAN- EFE)—A new political party was announced today, only 6 months before the Salvadoran presidential elections. A political source said the new party's leader is Adolfo Rey Prendes, former leader of the ruling Christian Democratic Party [PDC].

The Authentic Christian Movement [Movimiento Autentico Cristiano], a new alliance between the Centrist Republican Movement [Movimiento Republicano Centrista] (Merecen), a minority rightist party, and the newly created Authentic Christian Democratic Movement (MADC) headed by Rey Prendes—announced its decision to participate in the March 1989 presidential elections.

Merecen Secretary General Ramon Rosales Rosales and PDC leader Guillermo Guevara Lacayo attended the meeting, which was held in a San Salvador theater.

The Authentic Christian Movement nominated Rey Prendes, former rival of PDC presidential candidate Fidel Chavez Mena, as its presidential candidate.

Guevara said the alliance's ranks include 17 deputies and 25 mayors who won their posts as PDC candidates in the legislative and municipal elections on 20 March 1988.

On 11 September, the PDC wing headed by Rey Prendes announced its decision to separate from the PDC and create the MADC.

On 5 October, the Authentic Christian Movement leaders will submit documentation on the new political party to the Central Electoral Council (CCE), the top electoral body.

Rey Prendes' supporters explained that he did not attend the event because he is currently touring Europe.

The new political party will use Merecen's registration at the CCE to run in the presidential elections with a new name and party symbol, members of the alliance said.

FMLN Says Rebels Shot Down Army Helicopter

PA2909012688 (Clandestine) Radio Venceremos in Spanish to El Salvador 0015 GMT 29 Sep 88

[Text] In the midst of the defeat suffered by the dictatorship's special battalions in Chalatenango on 28 September, the FMLN has shot down one more helicopter belonging to the pro-Yankee army.

There, at the place where, just a few days ago, things got very hot for three Yankee advisers in El Paraiso, precisely there in heroic Chalatenango, we plucked General Bustillo's tail feathers.

Pay close attention to the battle report sent in by the Modesto Ramirez Central Front, which has just reached us, and which says the following:

We inform our people that on 28 September, at 0930, FMLN antiaircraft units shot down a U.S.-made helicopter, a UH-1H helicopter. This helicopter intended to provide [words indistinct] support to the demoralized troops of the Atlacatl and Bracamonte Battalions that were in the general vicinity of Ojo de Aguita Hill and [name indistinct] in the Dulce Nombre de Maria district of invincible Chalatenango.

Our heavy rifle fire made a solid impact on the aircraft made of porcelain, which immediately fell to the ground and exploded. In addition, a large explosion was heard, and two columns of thick smoke could be seen.

The report adds that both our guerrilla units and the demoralized leader of this company of the Bracamonte Battalion witnessed the downing of the helicopter. We confirm the total destruction of the UH-1H helicopter and the deaths of the pilot, copilot, and 2 gunners.

With this detonation we pay homage to rural leader Apolinario Serrano, murdered by the puppet army in 1979.

We send a militant salute to the antiaircraft units who on 28 September shot down another piece of junk belonging to the dictatorship.

Long live heroic and invincible Chalatenango.

The report is signed by the Joint Command of the Modesto Ramirez Central Front.

Armed Forces Report Crash

PA2909033488 San Salvador Canal Doce Television in Spanish 0311 GMT 29 Sep 88

[Text] Two officers and three other members of the Armed Forces died today when their helicopter crashed in San Francisco Morazan, in the northern department of Chalatenango, according to a report issued by the Armed Forces' press office.

According to the military source, a UH-1H helicopter crashed in an area known as Quebrada Zorro Blanco while it was on a reconnaissance mission. The victims were identified as Lieutenant Oscar Arturo Monge, Cadet Manuel de Jesus Turcios, Medic Corporal Jose Antonio Lainez, and two soldiers, Juan Carlos Sanchez and Jose Alfredo Rodriguez.

The military report said the cause of the accident is unknown. The tragedy occurred in an area near the Honduran border, where a military operation is under way.

Communique Issued; Army 'Massacre' Condemned

PA2909015388 (Clandestine) Radio Venceremos in Spanish 0033 GMT 29 Sep 88

[Communique issued by the FMLN General Command on the "Army massacre of 10 peasants in San Sebastian, San Vincente Department"; on 27 September—place not given]

[Text] 1. We strongly condemn this new crime, for which the Army High Command and the Duartist government are fully responsible. We announce that as of now, any attempt to place the blame for the massacre on the soldiers [as heard] is totally unacceptable.

2. We voice our strongest condemnation at the cynicism shown by Jose Napoleon Duarte, who accepted the crime and justified it with the argument that it was a township that supported the FMLN. If this is what Duarte thinks, then he is turning a deaf ear to the clamor of the international community, which is demanding adherence to the humanitarian conventions of war, especially the last resolution of the OAS Human Rights Subcommittee. The resolution stressed that, in conformity with the basic principles of human rights, the people who do not participate directly in fighting but support the rebels, accompany them, supply them with food, and live in areas controlled by them, retain their character as a civilian population. Therefore, they cannot be the targets of military attacks or harassment by government forces.

3. We call on the international community to condemn at all forums the genocidal regime of Jose Napoleon Duarte and urge our people to confront the Duartist repressive escalation by getting better organized for the struggle.

United to fight until final victory, revolution or death, we will win.

[Signed] FMLN General Command: Commander Ferman Cienfuegos, Commander Leonel Gonzalez, Commander Shafick Jorge Handal, Commander Roberto Roca, Commander Joaquin Villalobos
El Salvador, 27 September 1988

Incident Called 'Murder'

PA2809215088 San Salvador Canal Seis Television in Spanish 0200 GMT 27 Sep 88

[Excerpt] The archbishop's Legal Assistance Office has said that there was no clash between guerrillas and soldiers in the bloody incident in San Sebastian, San Vicente. The peasants were murdered.

The archbishop's Legal Assistance Office said today that the possibility of a clash between peasants and Army troops in San Francisco village, San Sebastian, San Vicente, has been ruled out.

In a statement for this newscast, Maria Julia Hernandez, director of the Legal Assistance Office, said that the investigations conducted have confirmed the manner in which 10 peasants were killed on 21 September. According to witnesses, they were forced out of their houses by members of the Jiboa Battalion of the 5th Infantry Brigade.

[Begin Hernandez recording] The manner in which they were killed has been confirmed. All or most of them—nine of them—have bullet wounds in their faces and heads, in the skull. Some of the bodies had marks indicating that their hands had been tied. None had any foot wounds precluding that they were killed by a mine explosion. They were all killed with guns. This is what we have been able to determine following the initial investigation. The way in which the bodies were found also confirms that they were forced to stand in two rows and then were murdered. [end recording] [passage omitted]

Summary of 'Terrorist' Group Activities

PA0110192288 [Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 1 October carries 10 minutes of reports on recent FMLN actions.

A report from the Modesto Ramirez Central Front states that "At 0600 on 29 September, FMLN urban commandos placed bombs in the residence of former Deputy Gilberto Lasso, a member of the Christian Democratic Party." The report adds that "The operation, which took place in the El Refugio neighborhood, destroyed a vehicle valued at 170,000 colones, destroyed a brand new Honda Civic car valued at 80,000 colones, and caused damage to the residence estimated at 140,000 colones."

Another report says that "On 29 September, FMLN urban commandos carried out simultaneous attacks in Mejicanos against the Civil Defense headquarters, the City Hall, and the ANTEL [National Administration for Telecommunications] offices."

A report from San Vicente adds that "On 29 September, an FMLN unit ambushed troops of the Infantes de Marina Battalion on the coastal highway near La Bascula Canton, Tecoluca jurisdiction, causing 15 casualties among the enemy."

The station then reports that "At 1400 on 29 September, guerrilla units ambushed a truck transporting troops of the 2d Infantry Brigade from Santa Ana to Metapan." The report adds that "The attack, carried out with three powerful bombs and rifle fire, resulted in six casualties, among them a sergeant."

In conclusion, the station reports that "At 2000 on 29 September, two members of the 1st Infantry Brigade's Soriano Battalion were wounded by mines placed by FMLN guerrillas in San Lucas Farm, near the San Francisco Sugar Mill, San Salvador Department."

Further Reportage

PA0210142188 [Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 2 October carries a 13-minute report summarizing FMLN military actions during September.

The report says that "During September, our forces, as part of the national military campaign 'Death to the Reagan policy', and 'Yankees get out of El Salvador,' destroyed the 4th Infantry Brigade Garrison; a strategic communications base in El Aguacate, Morazan Department; and two National Guard posts." The station adds that "3 helicopters were downed and another damaged, 13 military trucks were completely or partially destroyed, and a communications relay station and 5 PRC-77 military radios were destroyed."

"We inform our people that during the victorious month of September, a month when the Salvadorans intensified their struggle for our second and final independence, the FMLN inflicted 1,062 casualties on the puppet army," the report adds. Of these purported casualties, 450 were inflicted during the attack on the El Paraiso Garrison.

The station says "This is the war materiel recovered from Duarte's government: 13 G-3 rifles, 17 M-16 rifles, 1 81-mm mortar, 1 .50-caliber machinegun, 1 PRC-77 military radio, 20 military field kits, 44 81-mm mortar shells, 3 M-79 grenade launchers, 7 M-72 rocket launchers, 5 G-3 rifle grenades, 10 grenades, 2 binoculars, 2 .22-caliber rifles, 10,400 rounds of 7.62-mm ammunition, and 12,000 rounds of 5.56-mm ammunition."

The report adds that during September, the rebels' sabotage of the economy included "a successful national transportation stoppage on 19-21 September, six National Telecommunications Administration offices destroyed, three telephone booths destroyed, three telephone junction boxes destroyed, a sugar mill partially destroyed, and a distillery partially destroyed."

The radio says that in sabotaging the electric power system, the FMLN destroyed "174 power poles, 9 power towers, and 26 transformers." The report concludes: "We also sabotaged two buses, two government vehicles, two private cars, and a taxi during the transportation stoppage because they ignored the orders of our General Command."

Two Soldiers, Guerrilla Killed in Skirmishes

PA0110184688 San Salvador Canal Doce Television in Spanish 0300 GMT 1 Oct 88

[Text] Two soldiers and a rebel were killed in skirmishes around the country in the past few hours. Military reports state that a National Guard officer was killed while fighting an FMLN attack near Jucuapa. Another

report indicates that the authorities have identified the corpse of policeman David Diaz Cortez, who was killed at daybreak today in a skirmish by rebels against Suchitoto military.

A rebel was killed during a skirmish with the Army near Tecoluca, San Vicente Department. Finally, the Armed Forces reported that the FMLN on Wednesday destroyed ANTEL [National Administration for Telecommunications] installations in San Francisco Chinameca, La Paz Department.

Bomb Defused in Front of ARENA Deputy's Home
PA2809221288 San Salvador EL DIARIO LATINO in Spanish 27 Sep 88 p 3

[Excerpts] Colonel Sigfredo Ochoa Perez reported that San Miguel ARENA [Nationalist Republican Alliance] Deputy Raul Pena Flores safely escaped an attempt on his life on 25 September. A powerful bomb was placed in front of his home in San Miguel. [passage omitted]

Ochoa Perez said that the bomb was deactivated but that the threat against the deputy's life was still considered serious. He added that this was not the first death threat against ARENA party members. "Our deputies, directors, and party members have been attacked before," he said. [passage omitted]

Ochoa Perez stated: "There are a group of people in San Miguel who want to frighten ARENA members to get them to stop fighting for the benefit of the fatherland, but they must know that they will never succeed in this endeavor."

Guatemala

Army Announces Promotions for 126 Officers
PA2909232988 Guatemala City EL GRAFICO in Spanish 29 Sep 88 p 4

[Text] Guatemala City, 29 September—The Guatemalan Army High Command has announced that 126 active duty officers will be promoted.

The Army's information department's news communique No 0149-88, issued on 28 September, reported the promotions.

The following people will be promoted to the rank of brigadier general: Colonel Mauricio Rolando Izquierdo Gudiel; Infantry Colonel Jose Benedicto Ortega Gomez; and Air Force Colonel Humberto Raul Angeles Juarez. Captain Arturo Rubio Ruiz will be promoted to deputy admiral (in the Navy, this rank is equivalent to general).

The communique also reports that 2 lieutenant colonels will be promoted to colonel; 7 majors to lieutenant colonel; 4 first captains to major; 6 second captains to first captain; 7 lieutenants to second captain; and 96 second lieutenants to lieutenant.

Police Find Rebel Hideout; Kill 1, Capture 3
PA2809200988 Guatemala City EL GRAFICO in Spanish 27 Sep 88 p 6

[Text] One rebel was killed and three were arrested when a guerrilla hideout was discovered in a house on the Pampojila farm in the village of Pachitulul, San Lucas Toliman, Solola.

National Police officers, who had a search warrant, were attacked with gunfire upon discovering the hideout. When the gunfire increased in intensity, the police sought reinforcements from a military base in the area. The clash between the alleged subversive elements and the police, which lasted several hours, ended when soldiers and police reinforcements arrived at the site. Three people were arrested.

According to reports from the National Police's public relations office released last night, an unidentified 19-year-old guerrila was killed in the clash. The rebels arrested are: Martin Choy, 19 years old; Santiago Cotzal, 50 years old; and Antonio Pop Gonzalez, 22 years old. They are now in the custody of judicial authorities.

The report adds that camouflage uniforms, sheets, food, weapons, and documents containing plans for future guerrilla actions were also found at the hideout.

Honduras

Foreign Minister on Nicaragua, U.S. Bases
PA0110125188 Tegucigalpa Voz de Honduras Network in Spanish 1120 GMT 30 Sep 88

[Interview with Foreign Minister Carlos Lopez Contreras by Jacobo Goldstein in New York; date not given—recorded]

[Text] [Goldstein] It is a pleasure to greet you here in New York, Mr Foreign Minister. Let us go straight to the point. First, Mr Foreign Minister, let us discuss your meeting with George Shultz. What topics did you discuss?

[Lopez Contreras] Thank you, Jacobo. It is a pleasure to see you again here in New York. This morning we met with U.S. Secretary of State Shultz within the spirit of cordiality and friendship which links our two countries. We discussed basic Central American problems. We viewed the peace efforts, the last joint meeting held between the four Central American democratic countries and the United States, the flow of refugees, and the deployment of armed Nicaraguan counterrevolutionaries to Honduras, etc. We also discussed our search for a solution to all these problems.

The U.S. Government insists that a solution can be found in the fulfillment of Esquipulas II, in other words, in the democratization of Nicaragua, in internal national reconciliation of the various countries, and in the establishment of political conditions that will allow the safe return to

Nicaragua of armed political opposition members and the thousands of Nicaraguan refugees now living in Honduras, Costa Rica, and other parts of the world.

[Goldstein] Mr Foreign Minister, the issue of the Nicaraguan counterrevolutionaries continues to hold the people's attention, not only in Central America, but also in the United States especially because of the current U.S. election campaigns. Did the U.S. Government make any official request to the Honduran Government with regard to what to do with the contras—to phrase it in some way—at least while the U.S. Congress decides on the type of aid it will grant them?

[Lopez Contreras] The contras have been receiving humanitarian aid for several months—since January, I believe—as was agreed upon in Esquipulas II. With the Managua government's authorization, the U.S. Congress approved humanitarian aid [as heard], and the Honduran Government authorized its delivery to the contras in the border area. That authorization is based both on Esquipulas II and on the principles that inspired the agreements between the Sandinist government and the counterrevolutionaries in Sapoa. We did so to protect our country.

In other words, with a group of armed people having territorial enclaves negotiated by Nicaragua and the counterrevolution on the border with Honduras, it is logical that some of the contras would enter into Honduras. We, however, should not let them enter Honduras. Until Nicaragua solves its problems and until those people can return there, the best thing to do is to authorize the passage of humanitarian aid through Honduras.

[Goldstein] Has Honduras been asked to maintain that position for an indefinite period of time or only for a fixed period of time?

[Lopez Contreras] The Honduran Government, in strongly worded statements to the U.S. Government, has raised its concerns about this situation because the United States has obviously supported the counterrevolution and has an undeniable responsibility. The problem of the counterrevolution, however, is not so much a U.S. problem, but a Nicaraguan problem, and the responsibility to solve that problem falls upon Nicaragua. In other words, Nicaragua should solve its internal problems so that the armed opposition disappears and so that the thousands of refugees can stop being refugees and return to Nicaragua.

I want to add, in view of unjustified criticism from some Hondurans—some of it politically motivated—of the fact that the armed Nicaraguan groups seek Honduras as a sanctuary or that Honduran territory is used to shelter them cannot be blamed on Honduras, but on the nature of the government involved and on the political situation existing in the country from which these groups originate.

[Goldstein] Mr Foreign Minister, recently NEWSWEEK reported that there is a secret pact or agreement between the United States and Honduras that would allow the installation of U.S. bases in Honduras.

I know you have not denied it. The protocols exist. Honduras is negotiating a protocol with the United States based on the 1954 military agreement. I suppose you discussed this matter with U.S. Secretary of State Shultz?

[Lopez] Yes, the talks resulted from Honduras' initiative. You may recall that since 1954, when a bilateral commission for economic, political, and security matters was established, the security agreements have undergone constant review. The goal is for the agreements to be based on respect for sovereignty and dignity, befitting two friendly allied countries. There had been some irregular aspects. They were changed. They were completely abolished and replaced by protocols, namely by Protocols 1 and 2. Protocol 1 deals with the Honduras' judicial jurisdiction over the temporary U.S. presence in Honduras. Protocol 2 deals with the maintenance and repair of Honduran airports that are used by U.S. airplanes. This matter refers to the damage caused to the landing strips by U.S. airplanes.

These protocols are very clear. They were signed by President Suazo Cordova during his visit to the United States in 1985. Afterward, the protocols were submitted for Congress' review and approval, and they were published in the official gazette. There is nothing hidden or secret about them. As part of these negotiations, there have been negotiations to reach an agreement regulating military maneuvers. The regulations include how often military maneuvers should be held, with how much advance notice they must be announced, on what date U.S. soldiers would arrive, what documents do they need to have, and where U.S. soldiers may carry weapons. The goal is to establish a system to prevent friction or misunderstandings between U.S. and Honduran military authorities. The goal is also to regulate the areas where U.S. troops conduct exercises in order to avoid incidents between the U.S. military forces participating in maneuvers and the civilian population.

There is nothing secret about this matter. This follows the Honduran Government's wish to create the legal basis we consider necessary for a situation that did not have a legal basis before, as no agreements on joint military maneuvers existed. This is part of the package of military cooperation, which we consider to be of a dissuasive, defensive, and security nature.

It is a matter that is of interest to Honduras, as well as to the United States. It is not a situation that has been imposed by anyone. In accordance with our Constitution, all the agreements negotiated by our government and the U.S. Government are signed by the Executive

Branch and sent to Congress to be debated and approved or rejected. If the Congress approves the agreements, they will go into effect and will be published in the official gazette.

[Goldstein] We have heard many rumors that the United States is looking for a place to relocate its Southern Command because of the current U.S. - Panamanian crisis and also because the treaty with Panama will end in a few years. Have there been talks between Honduras and the United States to move the Southern Command or part of it to Honduras?

[Lopez] No such talks whatsoever have been held. I do not know where these rumors came from; they could be political speculation. Truthfully, the Honduran Government has freedom to choose the type of security cooperation it establishes with the United States. The change of plans regarding establishment of a regional military training center are proof of our freedom in this respect. The center was not built because the Honduran Government decided it was not desirable. It was as simple as that. Around $50 million had been allocated to establish a regional school in Castilla, but the Honduras Government did not accept the U.S. conditions, and we did not reach an agreement. This is how it works: Honduras negotiates with the United States on equal terms.

[Goldstein] Mr Foreign Minister, your meeting with Elliott Abrams this afternoon lasted over an hour. Did you also talk about security?

[Lopez] Yes, we discussed several subjects. One of the subjects is of special interest to Honduras. We have promoted it in Asia and in Europe. It is the subject of the interoceanic railroad. We explained to the U.S. Government the economic and social benefits that a railroad of this kind would bring to Honduras. We also explained how the project would speed international maritime traffic from the Atlantic to the Pacific, based on the roll-on, roll-off container principle. [5-second break in reception] We also discussed the Central American situation, as well as the situation in the east [words indistinct] at the United Nations. The chances for a solution in Central America are very uncertain at present. The Esquipulas II process is in a precarious situation because of Nicaragua's decision to continue the unjustified legal process against Honduras in The Hague. The charges against Honduras are [words indistinct] of its territory. These charges are inconsistent considering that the Nicaraguan Government has already negotiated with the counterrevolutionaries and agreed to set aside approximately 20,000 square km for the contras. The contras would receive humanitarian aid from the United States in this enclave. It does not make sense for Nicaragua to continue with its case against us; it is hindering the peace process proposed by President Arias.

Colonel Regalado Insists Upon Innocence
PA3009185188 Tegucigalpa Cadena Audio Video in Spanish 1200 GMT 30 Sep 88

["Exclusive interview" with former diplomat Colonel Rigoberto Regalado Lara to Honduran Radio America and LA TRIBUNA newspaper by reporter Edgardo Benitez at a Miami prison; date not given—recorded]

[Excerpts] [Benitez] Col Regalado Lara, what can you say concerning the accusations hurled by Colonel Bruno Fontana, chief of Puerto Cortes Naval Base, who said the DEA had been watching you for a long time, which is why you were arrested in Miami?

[Regalado] The truth is [words indistinct]. As I have said previously, I have undergone an exhaustive investigation by the U.S. authorities for them to....[changes thought] It is not enough to say I am a little angel; one must prove it. I have proved it, and the DEA and FBI authorities are pleased with the investigations. I have even allowed them to look into my bank accounts, and I have accounted for all my properties and work as a military man. The U.S. authorities are pleased with what they found. That is the only way to prove one is an honorable man when one is being accused. I would like to say it is not honorable to be accused of crimes, but accusations have to be proved. People who are accused of a crime must prove they are innocent. It is not enough to tell the press one is an angel. One must prove it, and I have proved I am innocent.

I have undergone many investigations throughout my life. I have given addresses, telephone numbers of the places I have visited in Panama, Honduras, Guatemala, etc. I have done that to ensure I do not have any criminal records.

[Benitez] Colonel, you are practically saying Col Bruno Fontana does have a criminal record or an Achilles heel?

[Regalado] I am simply saying he should undergo investigations. He should allow the authorities to investigate him. He should open himself to competent authorities such as the DEA or any important organization in Honduras. He should tell them: Here is what I have, what I have earned. This is the fruit of my work or business. He has to prove it. That is the way it is done in the United States when someone is accused of a crime. [passage omitted]

[Benitez] Colonel, are you saying that to some extent your conversations with people accused of drug trafficking have pointed to the involvement of Honduran Government officials and citizens in that activity?

[Regalado] That is correct. The authorities here have recorded all those conversations and will use them at the right time. I will not reveal any names or information because that would be very dangerous for me. However, you should not believe that all those who look honorable

are honorable. In my case, I can prove what I am and what I have been. I am allowing myself to be thoroughly investigated. That is the only way to prove one's honor. [passage omitted]

[Benitez] You are then surprised at finding out names of Hondurans who are involved in drug trafficking? You were told by several people about that. Is that right Colonel?

[Regalado] Yes, I was absolutely surprised. It is incredible. I will never release any names or anything like that, but I am glad to have found out for my own pleasure. I laugh at those who discharged me shamefully. I laugh at those who claim to be honorable. I, however, will never reveal their names. This knowledge only gives me personal satisfaction. Perhaps, the competent authorities will do something about it one day. As I told you, [words indistinct] in Latin America completely. [words indistinct] news never heard in Honduras, but in other countries. I was greatly surprised, and the knowledge gave me great pleasure. I am glad to know I am not the only one who can be called dishonorable within the Honduran Armed Forces.

[Benitez] Colonel, to end this interview I would like to know if you have been in touch with your stepbrother General Humberto Regalado Hernandez since you were put in this correctional institution in Miami?

[Regalado] Absolutely not. I have not communicated with him at all. As I told you, I have been abandoned here. Not even the Honduran consul in Miami has come to visit me. I've had no communication with anyone. [passage omitted]

Nicaragua

Ortega Congratulates Gorbachev on Election

PA0110214688 Managua Domestic Service in Spanish 1841 GMT 1 Oct 88

["Message" from President Daniel Ortega to Mikhail Gorbachev; date not given]

[Text] Your Excellency Comrade Mikhail Gorbachev, general secretary of the CPSU Secretariat and chairman of the USSR Supreme Soviet Presidium, Moscow

Managua, 1 October 1988

For a Dignified Peace, Free Fatherland or Death

Dear Comrade Gorbachev:

I have been notified of the important decisions adopted by the CPSU Central Committee and the USSR Supreme Soviet. On behalf of the FSLN National Directorate and the people and government of Nicaragua, allow me to express our fraternal congratulations for your appointment as chairman of the Supreme Soviet Presidium.

Wishing you, your people, and your party success in the complex task of reorganization and in your struggle for world peace, I remain,

Fraternally yours,

[Signed] Daniel Ortega Saavedra

Commission To Stop Work Until After Summit

PA0110194788 Managua Domestic Service in Spanish 1743 GMT 1 Oct 88

[Letter from Vice President Sergio Ramirez Mercado, member of the National Reconciliation Commission, to Cardinal Miguel Obando y Bravo, chairman of the commission—date and place not given]

[Text] Your Eminence: In the past few weeks, the Central American presidents have begun a process of consultations to agree on holding a summit that will give continuity to the Esquipulas peace process. With this objective in mind, President Daniel Ortega contacted the Costa Rican and Guatemalan presidents on various occasions, and the latter visited the Central American countries, including Nicaragua, for the same purpose. As a result, the summit is scheduled to be held in November after the Costa Rican president returns from his trip to Europe.

In view of these considerations and the forthcoming summit, the Nicaraguan Government feels that the National Reconciliation Commission should wait for the results of the presidential meeting. This would allow the commission to redefine its work, because at this moment, its work lacks a precise direction. This lack of guidance—a task that belongs to the presidents—has led to ill-advised actions such as the initiative by the representatives of the political parties in the reconciliation commission who traveled to Miami [to meet with contra representatives] without prior consultations.

In light of the aforementioned, on behalf of the Nicaraguan Government, I must officially notify you that we believe the National Reconciliation Commission should resume its activities after the presidential summit scheduled for November. Please notify the other members of the commission of this decision.

Respectfully yours [Signed] Sergio Ramirez Mercado

Obando y Bravo on Commission, U.S. Aid
PA0210191288 Managua Domestic Service in Spanish 1805 GMT 2 Oct 88

[News conference held by Cardinal Miguel Obando y Bravo with unidentified reporters in Managua—live; broadcast in progress]

[Excerpt] [Obando y Bravo] ...you are referring to aid in the form of medicine. I personally was not told that medicine would be donated. I do not know what you are referring to because I personally was not [words indistinct].

[Reporter] The U.S. Congress voted to give $5 million to the church. In other words, the church was going to distribute the aid.

[Obando y Bravo] There was no mention of this to the church, at least not to me. I do not know how this would have been done, because for the church to receive the aid, we should have been consulted about this matter. No one spoke to me about the aid. Perhaps one of the other bishops was consulted.

[Reporter] Cardinal, does this mean you reject that aid?

[Obando y Bravo] I cannot reject what I have not been offered. I have not been offered that aid.

[Reporter] How do you view the government's decision to postpone meetings of the National Reconciliation Commission until after the Central American presidents' meeting?

[Obando y Bravo] I think the reconciliation commission can play an important role even before the summit because the commission's purpose has been well outlined by Esquipulas II. What is the purpose of the reconciliation commission? The purposes are to verify if there is a cease-fire; to monitor whether amnesty is being offered in the broadest possible way, to monitor whether human rights are being respected, to observe whether there is unlimited freedom of expression, and if the country is moving toward democratization. The tasks of the commission were well-defined.

[Reporter] Do you think the commission was effective?

[Obando y Bravo] It has not been effective recently because every time we invited the government to meet with us, it said that it was busy, and then the commission could not meet. We invited the government during Independence Week, but it said it was busy then. Then the week after that it was also busy. We have been inviting it daily, and the last thing we heard was the letter you read in the government's newspapers. (?We did not receive it). I read it in one of the newspapers.

[Reporter] But what happened to the commission's attempt to solve the issue of the people kidnapped by the counterrevolution? Was it successful?

[Obando y Bravo] The National Reconciliation Commission appointed Mauricio Diaz and Erick Ramirez to conduct the appropriate investigations. They went to Miami, and they have continued their efforts. However, [vice president] Sergio Ramirez wrote the letter saying that the commission's work has to be defined and that its work must be resumed after the November summit.

[Reporter] President Ortega said any aid approved by the U.S. Congress—not only the aid supposedly destined for the church—would be prohibited from entering Nicaragua. What is your opinion?

[Obando y Bravo] If you are referring to the aid that you say would be given to the church, no one spoke to me about that aid.

[Reporter] I am also referring to the aid approved by Congress as humanitarian aid or as aid to the domestic political opposition.

[Obando y Bravo] I think that as long as we Nicaraguans do not solve our problems, we are going to have this kind of interference. I think we Nicaraguans must try to solve our own problems.

[Reporter] Cardinal, are you going to appeal to the government to change its decision about the suspension of the reconciliation commission's work until after the summit?

[Obando y Bravo] We could consider this. However, I think the government has made a definite decision. It said the commission's work must be defined. But the work had already been defined by Esquipulas II. I am going to think about the point you brought up.

[Reporter] Have the reconciliation commission's meetings been suspended?

[Obando y Bravo] The meetings as a commission have been suspended because we cannot hold sessions as a National Reconciliation Commission if the government does not attend them. According to the commission's rules, all the representatives must participate. If a representative does not attend, his substitute must attend. In the same way, if the two political party representatives do not attend, we cannot hold sessions. If the two members of the church—Msgr Bosco Vivas and I—do not attend, we cannot hold sessions either. If the two government members—Sergio Ramirez and Minister Rene Nunez—do not attend, we cannot hold sessions. If the alternate [not further specified] or his substitute, the Red Cross director, do not attend, we cannot meet. It is therefore difficult to hold sessions as a commission when these representatives do not attend.

[Reporter] (?The meetings) will not be held?

[Obando y Bravo] It would be difficult to hold them as a commission because, as is stated in the letter, if the government is not going to participate. [passage omitted]

Editorial Warns Against 'October Surprise'
PA0110182888 Managua BARRICADA in Spanish 30 Sep 88 p 3

[Editorial: "The October Surprise Is Under Way"]

[Excerpts] The intensification of the continuous U.S. violations of Nicaraguan airspace and territorial waters, accompanied by the deployment of Marines at the Honduran - Nicaraguan border, are not mere coincidence. They are irrefutable evidence that preparations for a new Yankee plan known as the "October Surprise" continue at full speed.

It is not by chance that the remnants of the contra forces are currently regrouping in Honduran territory and that the Honduran Army has unleashed a campaign of provocations and harassment against EPS troops and Nicaraguan border towns. As former CIA analyst David MacMichael has said, now that President Reagan is a "lame duck," what seems improbable is not impossible. Both political and military signs indicate that preparations for a direct U.S. military intervention against Nicaragua continue.

Whether or not the U.S. Congress approves the total package of "aid" for the contras—consisting of $73.6 million, including $16.5 million in military "aid"—President Reagan will be free to do whatever he wants by invoking the War Powers Act.

The U.S. President will not have to inform Congress of his decision until 60 days after military operations begin.

If this is not the case, what is the reason for the intensification of flights by U.S. spy planes and the presence of Yankee ships in Nicaraguan waters? What is the reason for the provocations by the Honduran Army that on 30 August resulted in the death of a Nicaraguan officer and the sinking of a Honduran launch? What is the reason for providing more funds to pro-U.S. groups so they can continue their destabilization plans against Nicaragua?

It is clear Reagan is leaving; however, he wants his successor—Democrat or Republican—to inherit his war and intervention. He only has to fabricate a pretext under which the Honduran Army is ready to act, following his orders.

For that reason, today, more than ever, we must be on the alert. In the 8 preceding years of confrontations with the Yankee warmongerers, the Nicaraguan revolution and people have survived by deploying forces to defend their historic revolution and national sovereignty.

Mass deployment for defense is the only way to guarantee the continuation of the revolution beyond the Reagan era. The call for the next period of enrollment in the SMP [Patriotic Military Service] is a task we must all assume with the patriotism that has characterized the Nicaraguan people in their struggle against Yankee interventionism.

We cannot lower our guard or allow an October "surprise." We must make sure that Reagan leaves while the revolution stays forever!

Protest Note Lists Honduran Violations
PA0110165688 Managua BARRICADA in Spanish 30 Sep 88 p 4

[Letter from Acting Foreign Minister Javier Chamorro Mora to Honduran Foreign Minister Carlos Lopez Contreras—date and place not given]

[Text] Your Excellency Carlos Lopez Contreras,

Honduran Foreign Minister

This letter is to call your attention to the following attacks against our territory that took place on 13, 14, 15, 16, 17, and 20 September of this year.

At 1900 on 13 September, Honduran soldiers in Zanjon Hondo, coordinates 5601, attacked with rifle fire our observation post at Murupuchi, coordinates 5500, 3 km north of Teotecacinte.

At 2000 on 14 September, Honduran Army troops attacked the same observation post at Murupuchi, coordinates 5500.

At 1900 on 15 September, there was another attack on the observation post at Murupuchi, coordinates 5500, this time with .50-caliber machineguns.

At 1430 on 16 September, Honduran Army soldiers used .50-caliber machineguns and M-79 grenade launchers to harass the observation post at Murupuchi. They launched the attack from La Campana Hill, coordinates 5601, 5 km north of Teotecacinte. Another attack took place at 1815.

At 1000 on 17 September, Honduran Army soldiers from the Palo Verde area, coordinates 5706, attacked with rifle fire a Nicaraguan military truck that was in the Vado Ancho area, coordinates 5608.

At 1945 on that same day, Honduran Army soldiers from the Tapalchi area, coordinates 4610, attacked our observation post at coordinates 4009, 5 km northeast of Jalapa. During the attack, the Honduran soldiers fired five 81-mm mortar shells.

At 1745 on 20 September, Honduran Army troops attacked with M-60 machinegun fire our observation post at Murupuchi, coordinates 5500, 3 km north of Teotecacinte.

Likewise, I wish to notify your excellency that on 13 September, mercenary groups located inside Honduran territory attacked two Nicaraguan border posts. Mercenary groups located inside Honduran territory also attacked Nicaraguan positions in the border area on 15 September.

I also wish to notify your excellency that airspace violations by aircrafts coming from Honduras have continued. Once the violation and the attacks that often follow are completed, these airplanes return to their bases in your country. There was an airspace violation under such circumstances on 14 September. On 16 September, four similar incidents took place, and on 17 September there were two more violations, just to cite a few examples.

Finally, I wish to refer to the reports provided on 28 September by Major Leonel Martinez, chief of staff of Nicaraguan Military Region 2. In his meeting with the press, he referred to the military tension along the border area, which increased on 20 August, when six Honduran boats entered Nicaraguan waters in the Gulf of Fonseca and attacked a Sandinist Navy patrol, killing Lieutenant Pablo Blanco Torres.

Likewise, I wish to point out the concentration of Honduran troops near three camps of the mercenary forces in Honduras, very close to the Nicaraguan towns of Palo Grande, Somotillo, Santo Tomas del Nance, and San Pedro de Potrero Grande. Incursions into our territory, including one on 27 September in the Palo Grande area, have begun in that region. There have been as many as 300 mercenaries in the Honduran areas of Cacamuya, Hacienda Las Palmas, and Cerro Hacila.

These incidents are taking place at a time when there has been a significant increase in the U.S. military presence in Honduras, particularly in the number of military troops, which number approximately 2,900. Also increasing are the number of U.S. ships in the Gulf of Fonseca and the continuing violations of Nicaraguan airspace by U.S. planes on surveillance missions over strategic areas.

This situation creates a dangerous military situation that seriously threatens border security. Through this letter, the Nicaraguan Government presents a most formal and vigorous protest over the chain of attacks against its territory. These attacks disclose a systematic provocation of border incidents that are later used by the U.S. Government to step up terrorist attacks against the Nicaraguan people and eventually to launch a desperate adventure.

This type of action is not compatible with the norms of basic behavior established by international law, contradicts the Esquipulas II agreements, and hinders peace efforts. The danger of this situation emphasizes once again the urgent need for immediately setting up an international means of border surveillance that will help preserve peace and security in these areas.

In view of the risks entailed by all of these actions, the Nicaraguan Government is sending a copy of this note to the Contadora and Support Group member states, as well as to the UN and OAS secretaries general and the Canadian, Spanish, and FRG Governments.

I avail myself of this opportunity to reiterate to your excellency the assurances of my respect and consideration.

Javier Chamorro Mora,

Acting Foreign Minister

EPS' Torres Comments

PA0110022988 Managua Domestic Service in Spanish 0200 GMT 1 Oct 88

[Text] Hugo Torres, chief of the EPS Political Directorate, said that the violations of Nicaraguan airspace and the Honduran Army provocations are evidence of a new phase of pressure against Nicaragua that is part of an attempt to reactivate a new counterrevolutionary offensive. He added that the airspace violations are to detect EPS offensive positions in the northern region of the country and to aid the contras in penetrating Nicaraguan territory.

Government Announces Cordoba Devaluation

PA0110134188 Managua Radio Sandino in Spanish 1205 GMT 1 Oct 88

[Text] The Nicaraguan Presidency yesterday announced a new change in the currency exchange rate. The official exchange rate will be 320 cordobas per $1. This will guarantee profits for exports, which enable the country's economy to acquire foreign exchange. The Finance Ministry was ordered to increase by 35 percent salaries in all the wage scales in the state institutions. Effective today, the basic wage for rural workers will be 290 cordobas a day, excluding benefits. The rest of the production and service sectors will determine the appropriate wage increases in accordance with their resources, a presidential communique stated.

Planning Minister Alejandro Martinez Cuenca said last night that this decision is in line with the financial goals of the monetary reform, which aims to establish a realistic link between the prices in the domestic market and those in the international market. Martinez Cuenca said the wage readjustments aim to recoup the loss in the workers' purchasing power caused by price increases.

After the announcement of the 77-percent change in the official cordoba - dollar rate yesterday, businessmen and representatives of the service sector waited for the repercussions of these measures, and some of them even stopped selling.

The planning minister said the 8 years of U.S. aggression demand that we constantly make adjustments to manage the crisis in a survival economy. He also said the companies or individuals who supply products and services must not set prices at their whim because their inventories will build up. He added that consumers must haggle over prices because they must take an active part in the economic stabilization policy. He said the devaluation does not mean that the percentage of the devaluation must automatically be added to prices. For example, a gallon of gasoline will go from 390 to 650 cordobas. A 10-pound tank of liquid gas will go from 320 to 420 cordobas, while the 25-pound tank will go from 800 to 1,050 cordobas. He explained that a company or individual who does not import goods cannot change his prices in accordance with the exchange rate adjustment because they would be acting incorrectly. The aim of the measures is to stabilize prices, stimulate production and productivity, and therefore boost exports.

The minister also said that based on recommendations by Finance Ministry studies, monopoly businesses or exclusive producers who have the advantage of imposing prices because they do not have competitors will hold consultations before they decide to increase prices. This way they will not harm all the other businesses that depend on their raw material. I think this is consistent with the logic of the measures adopted in February, he said. We are making these adjustments so as not to take sudden steps, such as those taken during the monetary reform, that greatly affect our economic system, he added.

The minister also said: We want to maintain a policy of promoting production and exports. He explained that when there is an imbalance between domestic and international prices, devaluations are necessary, otherwise such sectors as the monopolistic industry would be better off selling their production in the domestic market rather than exporting. He said the policy of deregulating prices must be understood as an effort to be flexible. He explained that those who want to charge high prices would be committing suicide because the immediate effect would be a buildup of inventories. He also said market vendors should not set prices at their whim after the devaluation; instead, they must realistically estimate the cost and then set prices.

Regarding the repercussions of the devaluation on the parallel market, the minister said he does not believe they will be major. The policy of reducing the economic imbalances and deficits with the subsequent reduction in the issuance of bills and coins is allowing inflation to decrease, he said, and this allows the parallel market to continue to be stronger than the black market. The official devaluation in August did not have great repercussions on the parallel market because it just slightly increased the rate for buyers and sellers by 5 percent. In addition, the planning minister said, the parallel market depends on the supply and demand of foreign exchange, while the logic of the official devaluation is to maintain a policy of guaranteeing profits for producers.

RN Deserter: Contras Selling Supplies, Weapons

PA2909215588 San Pedro Sula TIEMPO in Spanish 28 Sep 88 p 3

[Excerpts] Tegucigalpa—Horacio Arce, better known as Commander "Mercenary" of the Nicaraguan counterrevolution, has deserted the contra movement, denouncing the contras' sale of "humanitarian" aid supplies sent by the United States. He also claimed that the contras are selling weapons to the Salvadoran guerrillas.

The 33-year-old Horacio Arce, suntanned and prematurely bald, had been serving as chief purchaser for the Nicaraguan Resistance [RN]. As proof of his position with the RN, Arce provided price lists of various products. [passage omitted]

When asked to reveal the names of those allegedly involved, he mentioned "Aureliano," "Gustavo," and "Tiro al Blanco," among others. "Gustavo recently sold 112 weapons. Some people have told me that he sells them to the Salvadoran guerrillas. However, I am not sure of that."

Arce said that "Tiro al Blanco" sold medicine to a Turk at the San Jorge bazaar in Danli and that he had also sold a Soviet AK-47 rifle. He added that the contras sell AK-47 rifles for between 200 and 500 lempiras each, depending on how badly the person selling it needs the money.

He added that RN leaders obtain medicine from "humanitarian" aid packages sent to them by the United States and then sell the medicine at several drugstores in Catacamas. He said that this kind of "corruption" even occurs when the Agency for International Development (AID) supervises the delivery of the packages.

Commander "Aureliano," also known as Dr Manuel Rugama, was questioned about Horacio Arce's accusations. Aureliano said that he had no access to the aid supplies because he works in a completely unrelated capacity.

Aureliano said that he has recently been "abroad" (outside of Honduras) working in public relations. Therefore, it would be impossible for him to sell products and weapons.

When asked if other contra leaders are involved in such trafficking, he said that he thought it was doubtful. "This kind of trafficking may exist, but it is beyond our control. It may involve someone who, out of necessity, will sell a rifle or pistol he has seized from the Sandinists."

As to selling weapons to the FMLN, Aureliano said that he could not believe "that one of us would lend himself to that." He emphasized that "people's morals are very high and they are waiting for the military aid" from the United States in order to resume their fighting. Therefore, Aureliano added, they could not be interested in getting rid of their combat equipment.

Arms Sales Denied

PA3009005188 Tegucigalpa Voz de Honduras Network in Spanish 1625 GMT 29 Sep 88

[Communique issued by the Nicaraguan Resistance Press Office on 28 September—place not given]

[Text] The Nicaraguan Resistance, RN, wishes to clarify the following:

1. Mr Horacio Arce, also known as Commander Mercenary, has never held the rank of commander.

a. In 1986, he was an instructor at the Military Training Center.

b. On 1 September 1988, he was appointed to an administrative position. He never headed that department nor has he ever had any authority to make purchases.

2. There is no evidence published in the media supporting the charge that RN members made arms sales. This information is part of a campaign to make it seem as if the RN has no command or control.

3. The RN's policy is that any member of the organization found guilty of this crime will be disciplined and discharged in accordance with the organization's code of conduct.

[Signed] Nicaraguan Resistance Press Office 28 September 1988

Contra Groups in Yali Area Disbanded

PA0110180788 Managua BARRICADA in Spanish 30 Sep 88 pp 1, 4

[Report by M. M. Gonzalez]

[Excerpt] Las Colinas, Yali—The constant presence of representatives of the EPS, the government, and the FSLN has forced the disbanding of the counterrevolutionary groups that had operated in the San Rafael del Norte and Yali areas. The few groups left are involved in criminal activity such as kidnapping, robbing, and murdering peasants.

Captain Jorge Cerda Lopez, commander of the EPS 1st Infantry Brigade, said the latest kidnappings occurred in Cano La Flor and Los Guayabos, where the contras kidnapped 20 peasants. Most of the peasants returned home, however, because they no longer believe the former National Guard members. He also said the contras had killed members of cooperatives in El Destino, Los Gualises, and La Pavona.

The military commander said that 1 year ago, approximately 600 counterrevolutionaries operated in this region. But now, he added, there are not even 200, and they are without leaders and have no chance of carrying out successful actions against the EPS. [passage omitted]

Panama

Paper Reports on U.S. Intervention 'Plot'

PA0210165088 Panama City LA REPUBLICA DOMINICAL in Spanish 2 Oct 88 pp 1-A, 2-A

[Text] Important additional information has been provided by Jose del Carmen Serracin and Fred Boyd, members of the so-called National Reconciliation Movement [MCN], which was planning armed actions to overthrow the government.

According to information provided to this newspaper, the depositions given by these two plotters coincide with the information gathered by the state security organization.

Federico Boyd: A former colonel of the former National Guard. In 1969, he betrayed General Omar Torrijos Herrera, but his coup attempt failed. He was then banished from the fatherland and went to Miami; he was later pardoned and returned to Panama. He reached a high ranking position in the government. He was filled with hatred, though, and he again plotted against Panama, without stopping to care about the number of deaths that would result from his subversive adventure.

Jose del Carmen Serracin: A failure as a politician who—despite his advanced age—proclaimed himself chairman of the Authentic Panamenist Party [PPA] Youth National Patriotic Committee. He passed on to our youths his desire for bloodshed and war to achieve power. Young Ivan Mojica directly charges him with having taken advantage of Mojica's lack of political experience and with manipulating the PPA Youth.

Both Serracin and Fred Boyd traveled to Miami on various occasions to meet with [former Lieutenant Colonel] Eduardo Herrera and [former President Eric Arturo] Delvalle. They have named Ricardo Guardia, Lourdes De Obaldia, Anel Rodriguez, and Isaac Rodriguez as members of the group that was instructed to create an atmosphere of destabilization and violence to distract the attention of the Panamanian authorities. At the same time, another group operated out of Washington and

Miami, working out the final details and consolidating contacts with Reagan administration officials, including George Shultz and Elliott Abrams.

Based in Miami, Washington, and New York are: Eduardo Herrera, military leader of the plot; Eric Arturo Delvalle, the political leader; Augusto Villalaz, whom Delvalle appointed military attache in the United States; Saint Malo; Carlos Rodriguez, who was appointed Arnulfo Arias' heir; Adames, Del Rio, Tomas Herron, all treacherous former military men; and Bobby Eisenmann, Ricardo Guardia, J.M. Echevers, [Gabriel Lewis] Galindo, [Juan B.] Sosa, and [Alberto] Garcia de Paredes, who openly conspired against peace in Panama.

Meanwhile, Jose Manuel Echevers is in charge of organizing the aggression against Panama from Costa Rica.

According to the depositions of both men, the basic condition imposed by the United States for providing economic support was that the opposition political parties be united. Prior to his death, Arnulfo Arias met with a group of Panamanian politicians who signed a document recognizing Eric Arturo Delvalle as the constitutional president of Panama. This was the birth of the MCN, created by treacherous former military men, the CCN [National Civic Crusade], opposition political parties, labor unions, student movements, and church groups.

The National Patriotic Committee chaired by Jose del Carmen Serracin is an organization of the PPA Youth that was instructed to get the support of various schools, including the National Institute, the Arts and Crafts School, the Colegio Javier, the University of Panama, and USMA [Santa Maria La Antigua University]. This committee also was told to get the support of the National Port Authority and IRHE [Institute of Hydraulic Resources and Electrification] labor unions. Isaac Rodriguez, secretary general of the IRHE labor union, was given 20,000 balboas by his uncle, Anel Rodriguez.

This money was for logistical support for the terrorist operations, for sabotaging the power system, and for continuing uncertainty and unrest by carrying out actions related to demands for payment of salaries on time and payment of the 13th-month bonus. All this would be done until 20 October, when former Lt Col Eduardo Herrera was to arrive, armed with the equipment supplied by the United States.

Foreign support for the plan was obtained from the funds released by Eric Arturo Delvalle from the official Panamanian Government accounts that have been frozen by the Reagan administration. This sum comes to $30 million.

Of this amount, $28 million were earmarked for purchasing equipment, war materiel, and helicopters to transport men and weapons.

In recent months, Jose del Carmen Serracin, Fred Boyd, and Lourdes de Obaldia have traveled to the United States. Through the Continental Bank, they have been sent over 150,000 balboas. Fred Boyd said that from this money, he distributed 60,000 balboas in the following way:

Lourdes de Obaldia, 10,000 balboas.

Anel Rodriguez, 20,000 balboas to be given to his nephew, Isaac Rodriguez.

Zosimo Guardia, 20,000 balboas.

Jose Serracin, 5,000 balboas.

Fred Boyd, 5,000 balboas.

All of this money was handed out on 16 August and was to be used to carry out a number of psychological warfare actions to destabilize the country.

In Miami, traitorous military men Eduardo Herrera, Augusto Villalaz, and Moises del Rio held several meetings with Serracin and Fred Boyd to plan what was subsequently called the "Aurora Plan."

It must be stressed that there was a second sum of 56,000 balboas that was received by Zosimo Guardia, but this money was not distributed because the group was broken up before he could do so. This money is still in Guardia's possession.

Some of these 56,000 balboas were to be distributed the following way: 15,500 balboas to Isaac Rodriguez and his group, 7,000 balboas to Lourdes de Obaldia and her group, 8,000 balboas to Jose del Carmen Serracin and his group, and 10,000 balboas to lawyer Zosimo Guardia.

In addition to the previously mentioned sum, they had also received 17,000 balboas to rent cars, buses, and trucks under the name of the Asian American Ltd company from the National Car Rental company.

To support the MCN, the United States told the opposition that it had to unite under a single political position. The participants in this were the Liberal Party faction led by Roderick Esquivel, the Authentic Liberal Party of Arnulfo Escalona, Eric Arturo Delvalle's Republican Party led by Dominador Kayser Bazan, the People's Action Party, the Molirena [Nationalist Liberal Republican Movement], the FER 29 [Revolutionary Student Front], the CCN, and some seditious businessmen.

Eduardo Herrera and Eric Arturo Delvalle carried out the liaison work with the Americans in Miami.

During the investigations it was proven that the U.S. military postal system was used to send letters, packages, facsimile machines, and portable copiers to the plotters. They were sent from the United States to Panama to the

post office box of Zosimo Guardia's wife, who has U.S. military postal privileges because she is a U.S. citizen. Through this means, IRHE Union Secretary General Isaac Rodriguez received a facsimile machine and a portable copier.

The psychological warfare campaign was to be carried out as follows: Lourdes de Obaldia, who used as her cover a computer dealership called Computer, located on 50th Street, was in charge of receiving money, packages, facsimile machines, leaflets to be distributed, and slogans and instructions for the plotters.

We discovered Major Matias was involved in the psychological warfare plan. Matias is the psychological operations officer of the U.S. Southern Command's J-3, and he gave his support and instructions so the plan could be carried out.

Alberto Bolivar Conte received instructions through facsimiles and by telephone to create propaganda leaflets at his advertising firm and to distribute them. The aim of the psychological warfare campaign was to promote nervousness, spread disinformation, and discredit the Panama Defense Forces commander and government officials through the use of pamphlets, leaflets, newspapers, and other means.

We must point out that the aim of these psychological operations was to penetrate the minds and consciences of the Panamanian people to create the proper climate for a U.S. intervention. This intervention would have come about by invoking Article 4 of the Torrijos-Carter Treaties, supposedly to defend the canal.

Likewise, as part of the psychological warfare campaign and with the help of facsimile machines, they organized an information network directed by Humberto Reynolds along with five other persons, who were in charge of receiving the material sent by former Major Moises del Rio from Miami.

Those who were in charge of receiving the information in Panama City were Giovanni Carlucci Jr, alias Madera; Luis Chen, alias Ernesto Centrales; Vladimir Dimof, alias Camion; Luis Enrique Cucalon, alias Financiera; and Humberto Reynolds. They were responsible for distributing the information received by facsimile machines that were sent to Panama from the United States.

This same plan included the transmission of information by Mayin Correa [Panamanian journalist and legislator] and Homero Londono [San Jose Radio Impacto correspondent in Panama City] through Costa Rica's Radio Impacto and the Voice of America.

The PPA was involved in the following manner: Members of the PPA National Directorate, among them Guillermo Endara and Jorge Pacifico Adames, were briefed on the plan so the group would have their full approval. Endara and Adames were briefed in detail after a trip by Serracin to the United States on 27 August. On that occasion, Serracin brought back a concrete proposal from Eduardo Herrera called the "Aurora Plan."

The investigations indicate that Jose del Carmen Serracin traveled to Mexico with Ivan Mojica and Leonor Murillo (the last two are members of the PPA youth organization) on 25 August. They received U.S. visas in Mexico City on 26 August, and on 27 August they met with Eduardo Herrera in Miami.

Murillo and Mojica made the trip back to Panama by way of Costa Rica with the money given to them in Miami, while Serracin returned through Mexico. Once in Panama, they informed the PPA about the details of their trip.

Jose del Carmen Serracin received a facsimile machine and a portable phone from Fred Boyd for the job they were assigned to do here.

Summarizing the statements made by Fred Boyd and Serracin, one can conclude that there was U.S. participation in this plan. This U.S. participation was approved by the Reagan administration and by men like Secretary of State George Shultz, who masterminded the plan along with Panamanians. The plan included an escalation of assasinations and terror to overthrow the government, after which the Panamanian people's nationalist position would have been changed.

Several of those involved in this plan are at large. It is expected that they will soon be arrested by the security services and turned over to the relevant authorities.

Gen Noriega Speaks to Cristobal Port Workers

PA3009192188 Panama City Domestic Service in Spanish 1725 GMT 30 Sep 88

[Statements by General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, to workers of Cristobal Port in Colon Province on 30 September; recorded]

[Text] Today, Port Workers Day, has three meanings. The real meaning is that port workers are now working for a Panamanian port. We recovered this port as the result of the struggle by several generations of Panamanians. The second meaning of this day is that port workers are an example for other workers because their militancy is not opportunistic because opportunists are traitors to the homeland, like some of those who live in Miami.

The example of the Cristobal Port workers is worthy of imitation by all organized Latin American militant unions. Therefore, today, on this sunny day, I wish to make these statements.

I want to add that the benefits Port Authority Director Colonel Jose Santos Motta will give all port workers are based on reality, and all port workers are receiving those benefits because of the Cristobal Port workers because [words indistinct]. [no third meaning as heard]

Authorities Order Arrest of Delvalle Minister
PA0110225688 Panama City CRITICA in Spanish 1 Oct 88 pp 1, 23

[Report by Carlos J. Nunez]

[Text] The Attorney General's Office yesterday issued an arrest warrant for former Commerce and Industries Minister Jose Bernardo "Chicho" Cardenas.

After reviewing the case, it was concluded that there is a legal basis for the arrest, as there is conclusive evidence that Cardenas embezzled 779,477.93 balboas.

Cardenas, who was in Eric Arturo Delvalle's cabinet, appropriated funds collected as tourist taxes at a hotel in Panama City where he was an administrator and shareholder.

Bernardo Dominguez, the current manager of the Panamanian Institute of Tourism, filed the charges at the Attorney General's Office on 3 March.

Authorities have now ordered the immediate arrest of Jose Bernardo Chicho Cardenas.

Solis Welcomed; Comments Upon Return From UN
PA3009150588 Panama City Domestic Service in Spanish 1412 GMT 30 Sep 88

[Speech by Manuel Solis Palma, Panamanian minister in charge of the Presidency, at the Marcos A. Gelabert Airport in Panama City following his return from the United Nations—live]

[Text] Messrs ministers of state; General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP] and commander of dignity and of the struggle for Panamanian nationalism [applause]; Messrs members of the FDP, the institution that protects Panama's peace, tranquillity, and respect as a free, sovereign, and independent nation [applause]; Messrs directors of autonomous state enterprises; Messrs members of the Dignity Battalion, whom we honor in a sincere, humble way [applause]; Messrs directors of the political parties that support the constitutional government over which I preside [applause]; ladies—including my distinguished wife—and gentlemen [cheers and applause]; and fellow citizens in general:

I feel deeply moved by the presence of so many Panamanians who have come to thank me for my courageous words at the United Nations. I believe, however, that I was merely a spokesman of the Panamanian people's feelings, courage, resistance, and dignity. You are the principal players because no voice would have had any value anywhere in the world without your ability to resist, your respect for the homeland, and your desire to preserve our free, sovereign, and independent nation. You are the ones who deserve this applause and dignity. [applause]

Someone said that you do not earn or lose your reputation in Panama. You certainly earn a reputation in Panama! Manuel Antonio Noriega has earned his reputation! [applause] He has earned it due to his courage, love for the homeland, and decision to die—if necessary—defending Panama. This certainly builds one's reputation! [applause]

The FDP has won a reputation. Who can deny the institution's straightforward, steadfast position, its sacrifices and concern to guarantee peace, prosperity, and progress for all? Who can deny that? Only ignorant people would, and since most Panamanians are not ignorant, the FDP represents a dignified institution of the Panamanian state. [applause]

The popular sectors within Panamanian society have won a reputation. Someone said Wednesday night in New York: In the past, the rabiblancos [literally "white-asses," insulting term for upper-class Panamanians] said we were chombos [denigrating term for Panamanians of West Indian descent] who were submissive to the United States; today, we call them treacherous rabiblancos. [applause]

Of course, although this does not apply to all of them, it includes many of them. I ask: If they were regarded as chombos at one time by those who enjoyed the Republic's wealth, who are the chombos today? Those who betray their homeland. They are the chombos because chombos is not the skin color, it is treason and lack of dignity, and there are white chombos, gentlemen. [applause]

We took Panama's voice to that international forum; we told the truth; we described the Panamanian people's sufferings. No one—not even a non-Panamanian—can be indifferent to the pain of a man who has lost his job, the pain in a home where there is no food, the pain of a man who is worried about his future because there is no willingess in some sectors in the country to make a small sacrifice while awaiting the Republic's recovery. This recovery will come because the Panamanian people's strength, your determination, from now on will place us in a position that will not be: Not 1 step backwards—it will be: 100 steps forward. [applause] Not one step backwards was the great slogan. It was the slogan of resistence, of not giving in. However, we are no longer on the defensive; we are on the offensive, the offensive of a people's dignity before the entire world, which has recognized it. Therefore, from now on, the slogan will be: 100 steps forward! [appalause]

My great friend of many years—he is much younger than I, but we are old friends [crowd laughs]—Alvaro Menendez Franco, has said we should and it is my duty to shake the tree so the worms will fall to the ground. [applause] I take his word, and I hope that in trying to defend the job stability of certain public employees, government institutions will know the difference between the stability for a man who defends his country and the stability for a traitor. There cannot be stability for traitors! [applause]

It does not matter how much time we have lost. However, 20 years of service can not justify a day of treason. [applause] Just as we talk to the world, let us talk to each other. My colleagues in the government: The challenge before me is not mine alone. It is a challenge to the leaders and rank and file of the government political parties. It is a challenge to each government official, regardless of his position. It is primarily a challenge to the deputy directors, deputy ministers, directors of autonomous state enterprises, and ministers. I am certain that as of this moment, we will assume the responsibility of showing the world not only that we are being attacked but that we can lift ourselves up with our own strength and courage, that the country will have a shining future, and that the sun will shine on everyone. The Republic's dignity is above any attack, no matter from what country. [applause, shouts]

Panamanian people: Take these words as a commitment and as an oath of loyalty to the fatherland that all of us will keep. I am not talking about the FDP. The FDP members took their oath a long time ago, and they are faithful to it. Let us civilians take this oath so that together we can speed up the country's progress and improve the welfare of the majority of the people. We have an inescapable commitment to this majority.

Thank you for this welcome. I thank you on behalf of Panama. Long live our Republic! Long live our nation! [Crowd shouts: "Long live!"] Onward, Panamanians! [Applause, shouts]

UN Remarks Rejected

PA3009141288 Panama City LA ESTRELLA DE PANAMA in Spanish 30 Sep 88 p B-3

[Text] New York (DPA)—Guillermo Cochez, vice president of Panama's Christian Democratic Party [PDC], said yesterday in New York that the people of his country are being attacked by the Panamanian Government, not the United States, as President Manuel Solis Palma charged at the United Nations.

He said that "All public liberties have been suppressed in Panama," using an alleged U.S. intervention as a pretext. There have been no newspapers or radio stations open to the opposition since February. Moreover, public demonstrations are banned, he said.

"Owing to the situation, Panama's military regime has ordered its spokesman, Solis Palma, to speak at the United Nations. He has no right to represent his country," Cochez noted. He stressed that Solis Palma had reached that office "in a totally illegal way," as the result of a "midnight" parliamentary coup.

Dismissing Solis Palma's charges at the United Nations regarding U.S. intentions toward the Panama Canal, Cochez said that "Considering treaties exist that give Panama total control over the waterway in the year 2000, no Panamanian can imagine that the United States will take away the gains that have been achieved in those treaties."

Paper Denounces U.S. 'Violations' of Airspace

PA2809184788 Panama City LA ESTRELLA DE PANAMA in Spanish 28 Sep 88 p 4-A

[Editorial: "The Frequent Violations of Panamanian Airspace"]

[Text] The director of the Panamanian Civil Aeronautics recently reported to the local and world public a number of violations of Panamanian airspace by U.S. Air Force helicopters and warplanes stationed in the Panama Canal area. The report presented by the top Panamanian civil aeronautics authority is extremely serious and alarming, because it states that each of the violations endangered civil aviation in Panama. The report stresses the number of blatant airspace violations that have been carried out since March 1988.

Nothing is more sacred for a nation than respect for its territory. That is clearly expressed in international treaties marking land, sea, and air demarcations. Regardless of how powerful a nation is, no nation has the right to conduct military maneuvers in another country without the previous authorization of that country's government. Ever since the U.S. Government decided to threaten us with an invasion and transfer enormous quantities of military reinforcements to the canal area, all kinds of provocations and violations of our territory have been conducted. On several occasions, and with sufficient evidence, our government has denounced the U.S. Armed Forces' shameful and arrogant actions. On this occasion, the U.S. Air Force incursions were not only disrespectful, but they also endangered civil aviation in Panama. Those incursions were aimed against a small nation that lacks the power to command respect in a de facto manner. The cases presented in detail by the Civil Aeronautics director do not leave any doubts about the insolent U.S. Government actions. It is an unforgivable abuse that must be taken—as was promised—to the Civil Aviation Organization, headquartered in Montreal, Canada. As a small nation, with an obvious disadvantage in strength compared to the United States, but with strength endowed by reason, the Panamanian authorities must

resort to international organizations and demand action to force the U.S. Government to respect our airspace and to fulfill the treaties signed in that regard.

It is also necessary to tell the world about the danger the U.S. Air Force represents to international aviation. The violations of airspace regulations could cause damange that we will all regret. To tell the world about our situation is the only recourse the Panamanian people have in view of the violent economic aggression launched by the U.S. Government against our country and in view of its frequent provocations.

Human Rights Committee Head on Detainees

PA2909220588 Panama City Circuito RPC Television in Spanish 2300 GMT 28 Sep 88

[Interview with Osvaldo Velasquez, president of the Panamanian Human Rights Committee, by unidentified reporter; date and place not given—recorded]

[Text] [Velasquez] The Panamanian Human Rights Committee lawyers' demands for respect for the right to due process have been unsuccessful; these demands are still being ignored. The authorities have not been granting bail when it has been requested. Moreover, no writs of habeas corpus have received a response. Those arrested remain isolated. Not even their relatives have been able to see them. We know that some detainees require special medication or diets. However, these have been denied them as well.

[Reporter] How many are in jail?

[Velasquez] So far we have reports of 39 arrests. We have received reports identifying them by name.

[Reporter] Have there been any arrests within the past few hours?

[Velasquez] Arrests and disappearances keep happening. We have just received a report that someone went on an errand to the jail facilities and was arrested. His car was found parked near the jail. Jail authorities have not admitted that he has been arrested. From a legal standpoint, he and others like him are missing people. If the authorities do not admit to having arrested these people, we must regard them as missing. We are reporting this to international organizations, particularly to Amnesty International.

IRHE Deputy Director Announces Dismissals

PA2909032088 Panama City Televisora Nacional in Spanish 2300 GMT 28 Sep 88

[Text] Ovigildo Herrera, new IRHE [Institute of Hydraulic Resources and Electrification] deputy director, has announced dismissals, transfers, and promotions within the institution. During a news conference, the government official announced the dismissal of 29 supervisors and foremen, 6 executives [superintendentes], 6 administrative officials, and 3 engineers. These dismissals affect workers at various IRHE plants throughout the country.

Herrera pointed out that the workers were dismissed because of unjustified absence from their workplaces, in some cases for 72 hours. These actions clearly violate IRHE's internal regulations and decrees issued in March 1988. Ovigildo Herrera noted that the dismissals do not apply to any SITIRHE [Union of Workers of the IRHE] directors and that they are part of a clean-up policy implemented by IRHE General Director Lieutenant Colonel Ricardo Garibaldo. Herrera stressed that these measures are aimed at protecting the services provided by the institution. In addition to the dismissals, six promotions and five transfers were announced.

Radio Exitosa Back on Air; Director Comments

PA2809194788 Panama City Telemetro Television in Spanish 2300 GMT 27 Sep 88

[Text] After several months of closure, Panama's Radio Exitosa network is back on the air. Radio Exitosa Director Aris de Icaza will give us more details:

[Begin Icaza recording] First, I want to thank the country's media, our thousands of listeners, and all those who expressed their solidarity at a time that was crucial for us. Our policy will remain unchanged and unyielding. We will continue to struggle for our goals. We will base our struggle on the true values that should prevail in our society: freedom, democracy, and justice. Those are our goals and that will be our challenge and guiding light from now on. Above all, we will seek reconciliation, especially now that Panamanians are seeking unity to achieve solutions to our problems and peace. [end recording]

New Requirements Delay HOY's First Edition

PA2809154288 Panama City LA ESTRELLA DE PANAMA in Spanish 28 Sep 88 p 24

[Text] Alfredo "Wilfi" Jimenez, director of the noon newspaper HOY, the first edition of which was supposed to be published today, has informed us the daily will not be able to circulate until new requirements demanded by the Government and Justice Ministry are met.

Jimenez said that in a note dated 27 September, Professor Osvaldo Gudino Aguilar, media director of the Government and Justice Ministry, notified him that Law 11 of 1976 had been modified and certain requirements must be met and submitted by HOY's director.

Jimenez noted he has already met with Gudino to discuss those modifications and the necessary steps will be taken in the next few hours to meet the requirements. He added that HOY will be published once the Government and Justice Ministry certifies the newspaper has complied with the requirements.

The amendments to Law 11 were published yesterday in the OFFICIAL GAZETTE.

Countries Donate Medical Supplies, Equipment
PA2909145788 Panama City MATUTINO in Spanish 28 Sep 88 p 2

[Excerpts] Panamanian Health Minister Francisco Sanchez Cardenas has said that as of August, the country has received donations of medicine and medical and surgical equipment worth approximately 898,000 balboas. [passage omitted]

The countries that have donated the most are: Nicaragua, 514,213 balboas; Cuba, 166,040 balboas; Spain, 100,000 balboas; Mexico, 23,250 balboas; and Chile, 18,000 balboas. In addition, Panama's Medical Christian Mission donated 26,618 balboas. [passage omitted]

Argentina

Foreign Ministry Issues Note on Uruguayan Border

PY3009170588 Buenos Aires TELAM in Spanish 2325 GMT 29 Sep 88

[Text] Buenos Aires, 29 Sep (TELAM)—In a note reiterating the scrupulous respect the Argentine Government has for the terms of the River Plate Treaty, which was signed in 1973, and regretting the misunderstanding created by the temporary installation of the Buenos Aires [Province] cabinet at Martin Garcia Island, the Argentine Foreign Ministry has sent the Uruguayan Government an answer to its note of protest.

The text of the document, which was released by the Foreign Ministry tonight, states: Regarding the note received from the Uruguayan Government on the meeting recently held by Buenos Aires Province officials at Martin Garcia Island, the Argentine Government, in view of the excellent relations it enjoys with this brotherly nation, wishes to reiterate its scrupulous respect for the terms of the River Plate treaty, which was signed in 1973.

The Argentine Government regrets that an unnecessary and inconsiderate act such as the one that prompted the Uruguayan note may have confused the public of the two countries regarding our strict compliance with the aforementioned treaty. However, the terms of this treaty were not violated because, according to Argentine domestic organization, Buenos Aires Province has jurisdiction over Martin Garcia Island.

The Argentine Government also wishes to point out that, according to its Constitution, the Argentine executive branch is responsible for handling Argentine policy, the note concludes.

Jaunarena: U.S. To Start Selling Spare Parts

PY0210211088 Buenos Aires BUENOS AIRES HERALD in English 2 Oct 88 p 15

[Text] (NA-DYN)—Defence Minister Horacio Jaunarena yesterday confirmed that the government of the United States will start selling spare parts for helicopters and military vehicles to Argentina, after such operations were frozen for more than five years following the conflict with Britain over the Malvinas Islands. Immediately after his arrival from Washington, where he held meetings with U.S. Defence Secretary Frank Carlucci and top officials of the Pentagon, Jaunarena told the press that several agreements were signed, "as a consequence of the satisfaction of Ronald Reagan's government over Alfonsin's efforts towards the consolidation of the democratic system." The minister commented on the favourable results of the presentation of the IA-63 "Pampa" jet-trainer. "The high quality of the aircraft will enable us to provide trainers to the United States, which is a pride for our nation," Jaunarena said. In relation to the Argentine-made missile "Condor II," the minister said the topic was briefly touched upon with all positions on the issue clearly expressed.

Alfonsin Submits Draft 1989 Budget to Congress

PY0110120988 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1235 GMT 30 Sep 88

[Text] Buenos Aires, 30 Sep (NA)—It was officially disclosed that President Raul Alfonsin last night signed and submitted to Congress the draft national budget for 1989, which foresees a 3-percent economic expansion, an average 78-percent increase in retail and wholesale prices, and an equivalent adjustment of the exchange rate.

Public servants' salaries in general terms will keep in step with prices, although the tendency will be to improve the income of the lower salary sectors, which would entail a real increase in personnel expenditures.

Public enterprise tariffs will also keep up with the overall price behavior, and the deficit will amount to 3.52 percent of the GDP, which is 0.7 percent less than estimated for 1988.

A substantial increase of 19.2 percent in the public debt is observed "as a consequence of the increase of foreign interests rates and a higher exchange rate."

The budget for the general administration drops by 4.12 percent. The defense budget increases by 2.47 percent, culture and education by 3.46 percent, science and technology by 7.08 percent, health by 2.33 percent, and economy by 7.2 percent.

This information was disclosed in detail through an official communique issued by the Finance Secretariat that was distributed at the same time the draft budget was being signed.

This is the first time this government submitted the draft budget to Congress during the period of ordinary sessions, although it is two weeks after the deadline established by the accounting law.

As a consequence, Congress is faced with the unusual task of revising the budgets for 3 consecutive years, since the budget for this year has not been reviewed yet and the 1987 budget is subject to analysis because of a request for an increase.

The reason for the executive branch's effort to disclose its budget projections early lies in its desire to "provide clear guidelines regarding the fiscal and economic program for 1989." Presumably the government also wants to help the negotiations for new financial aid abroad.

The deficit estimated by the government for next year is based on a revenue increase of 1.47 points, that is from 19.60 to 21.07 percent of the GDP, and on an increase in expenditures of 0.78 points, that is from 23.82 to 24.70 percent of the GDP. [figures as received]

As a consequence, financial need that amounted to 4.22 percent of the GDP for 1988 will next year amount to 3.52 percent.

Regarding the behavior of the exchange rate, it is estimated that the commercial or official exchange rate, as well as the financial or free market exchange rate, will behave similarly to prices. As for the mixed exchange rate, as of 1989 it will gradually move toward the financial exchange rate until they become even at the end of the year.

In general terms, the 1989 draft budget reasserts the strategy implemented this year, "which consists of focusing activities and available resources on the fulfillment of the state's functions and presupposes the self-financing of other areas of the public sector."

Therefore, the draft budget does "not include allocation of funds by the central administration to the Social Security System; it only includes allocation of funds to public enterprises to cover their foreign debts. Regarding the provinces, the draft does not provide funds to finance provincial budget deficits."

In the public sector the program for the decentralization of general and specialized hospitals will continue during 1989. Financial assistance will be granted by the IDB for the replacement of 11 provincial hospitals. The maternity and newborn program will continue to be implemented in an attempt to reduce the infant mortality rate.

"The policy implemented by the government since 1984" in the field of education "has resulted in an increasing number of students at the high school and university levels, which requires greater human resources and investment in the education infrastructure. As a consequence, projects for that purpose are being studied."

In housing, "the government intends to continue carrying out the programs financed by the National Housing Fund and by financial aid from the IDB and the World Bank."

In the area of social development and assistance, "the government intends to continue with the National Food Program (PAN)" as well as "the Social Nutrition Program, which is designed to feed children who attend government primary schools."

Moreover, "the project for dredging the access channel of Bahia Blanca port, which will allow the transit of large vessels, will be fully developed."

The information adds that "work for the construction of the heavy water industrial plant and the Atucha II nuclear plant will continue and that credits earmarked for the construction of highway and for the project to move the capital will be increased."

In the defense and security fields, "all increases mainly reflect the improvement of salaries. Funds have also been earmarked to ensure the operational capacity of the forces."

Brazil

Police Superintendent on Capture of Hijacker

PY0110013288 Brasilia Domestic Service in Portuguese 2200 GMT 30 Sep 88

[Excerpt] The hijacker of the VASP [Sao Paulo Airlines] plane will remain in custody in Goiania until he can face a court.

Goiania Federal Police have already taken the statements of the three crewmen injured during the VASP Boeing 737 hijacking. The hijacker, Raimundo Nonato Alves, remains at the Santa Genoveva Hospital, handcuffed to his bed. He will be questioned tomorrow. After his recovery, he will remain in custody in Goiania.

Federal Police Superintendent Francisco de Barros said the police were successful:

[Begin recording] We think it was a success because all the objectives were attained. The first objective was to not place the passengers or the crew in jeopardy. In fact, the risk was avoided and the hijacker was arrested alive. Thus, the objectives were attained without greater risk for all those involved. [end recording]

According to Francisco de Barros, the plan was to catch Raimundo Nonato Alves inside the Bandeirante plane where several policemen had hid. However, upon approaching the plane, he threatened to shoot the Boeing captain, Fernando Murilo da Silva, who accompanied him. Therefore, the policemen surrounding the airport area opened fire .

Raimundo Nonato Alves will be prosecuted for the crimes of aggravated homicide, attempted homicide, and kidnapping, among others, including the cold-blooded killing of the Boeing copilot. Federal Police have taken statements from eight passengers. Francisco de Barros is convinced that Raimundo indeed wanted to crash the plane into a building in Brasilia.

The real name of the hijacker is Raimundo Nonato Primo. Up until now, he has been known as Raimundo Nonato Alves da Conceicao. This clarification was made by police delegate Adriano de Carvalho from Vitorino Freire, Maranhao, after some investigation. [passage omitted]

Government Increases Military Salaries

PY0210200588 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Oct 88 p 4

[Text] Through a decree signed yesterday by President Jose Sarney, the finance minister, the planning minister, and the chief of staff of the Armed Forces (EMFA), the salaries of the Army, Navy, and Air Force officers, both in active service and in the reserve, were increased. The decision to grant increases—of up to 120 percent in some cases—was justified by the new Constitution's provision increasing taxes on military remunerations, which goes into effect this month.

The EMFA thought that the increase in the income tax on military salaries would only go into effect in January 1989, since Article 150 of the recently approved Constitution "bars the government from collecting taxes in the same fiscal year in which the law that institutes or raises them has been published." However, Congress interpreted it differently, and the taxes will go into effect this October.

The increases in fringe benefits or bonuses for military officers—which were published in yesterday's OFFICIAL GAZETTE—are substantial. The fringe benefits are granted to military officers for advanced military education, additional rank-related expenses, and additional retirement payments. Before the new Constitution was approved, none of those fringe benefits were taxed.

The bonus paid for "advanced military training and joint staff studies in the three services" (from the rank of colonel upwards) was raised by 45 percentage points, from 115 percent to 160 percent of the basic salary. In the case of a four-star general, that represents an increase of 85,500 cruzados to his basic salary for advanced military education. The same four-star general will receive 66,500 cruzados more for additional expenses demanded by his rank. Thus, he will receive a total of 152,000 cruzados in additional fringe benefits.

For high-ranking officers who have not taken technical courses, the increase amounts to 70 percentage points, from 55 percent to 125 percent of their basic salary. This means that a colonel who earned 152,000 cruzados of basic salary in September will be paid 106,400 cruzados more as of this month, in addition to 98,800 cruzados (65 percent more of his September basic salary) for the additional expenses required by his rank. These two increases together amount to 205,200 cruzados on top of his basic salary.

For basic courses in military schools, an increase of 65 percentage points was granted; for courses in specialty schools, an increase of 50 percentage points was granted. For additional expenses required by rank, the middle rank officers were granted an increase of 55 percentage points, while personnel below the rank of second lieutenant received increases of 45 percentage points.

The increase in fringe benefits for officers no longer in active service was 10 percentage points for those with 30-40 years of service, and 20 percentage points for those with less than 30 years of active service.

The tax on overall military remunerations increases 66 percent, while their bonuses or fringe benefits were raised by from 10 percent to 120 percent.

$192 Million in Debt Converted in 29 Sep Auction

PY0110160988 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Sep 88 p 34

[Excerpt] Yesterday, Brazil won $43.7 million without making any effort. In the auction for the conversion of the foreign debt into investments, which was held at the Sao Paulo Stock Market, the creditors accepted the market conditions and agreed to convert $192.7 million of the Brazilian debt into $149 million in investments to be made in the country. This auction, as well as the other six that have been held monthly, consisted of two stages: $75 million for investment exclusively in the SUDENE [Superintendency for Development of the Northeast] and SUDAM [Superintendency for Development of the Amazon Region] areas, which receive incentives, were converted at a 6-percent discount rate; and $75 million to be invested in any region of the country were converted at a discount rate that reached 34.49 percent—the highest discount rate so far.

In these auctions, the Central Bank (BC) has transformed $1.26 billion of the debt into $1.01 billion in investments, at an average discount rate ranging from 19.71 percent to 27.05 percent for the areas that receive no incentive. According to data supplied by Olimpio Lopes Ferreira de Almeida, head of the BC Department for Supervision and Registration of Foreign Capital, the amount of conversions made from the beginning of the year until now—including the informal operations already reported—totals $4.88 billion. [passage omitted]

Army To Handle Nuclear, Radiological Emergencies

PY3009161988 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Sep 88 p 17

[Text] Brasilia—As of 28 September, the Army Ministry is responsible for planning and implementing actions to protect the population and control situations of "emergency resulting from nuclear or radiological accidents." Thus, if an accident occurs in Brazil similar to the one involving Cessium-137 in Goiania last year, the Army, and not organizations such as the Civil Defense or the National Commission for Nuclear Energy (CNEN), will be responsible for coordinating the appropriate actions.

The decree making this change was signed by Bayma Denys, the National Security Council secretary. The decree, however, does not mention the reasons for promoting the Army to a planning and implementing organization, changing a decision made in 1980. According to the decree-law implementing the Protection System

for the Brazilian Nuclear Program [Sistema de Protecao ao Programa Nuclear Brasileiro], the Interior Ministry's Civil Defense Special Secretariat [Secretaria Especial de Defesa Civil] would be responsible for protecting the population during emergencies. On the other hand, the CNEN would be responsible for completing the system of physical protection, national safeguards for nuclear technology, and radiological protection. According to the decree published yesterday, the Army, along with the Navy and Aeronautics Ministries and the state governments and secretariats, remains a support organization. [sentence as published]

Chile

Pinochet Promises To Step Up Security Measures

PY0110000288 Santiago Domestic Service in Spanish 2300 GMT 30 Sep 88

[Excerpts] President Augusto Pinochet has said that he will guarantee peace and public order in the next few days because he has ordered the necessary police protection.

The president made an appeal to the people to remain calm, especially the women, during an address at the Chile Stadium, where he presided over a ceremony during which 6,000 housing subsidies were handed out to middle class Chileans. [passage omitted]

The president gave a short speech noting the effort made to give Chilean citizens adequate housing. He also referred to the implementation of labor training courses at schools. In referring to threats by common criminals, Pinochet said:

[Begin recording] I want to take advantage of this opportunity to tell the ladies to remain calm in these coming days. I am aware that there are many criminals making life impossible, but the ladies should not be afraid because I am going to reinforce security some way or another. [end recording] [passage omitted]

Radio: Communists To Distribute Arms on 5 Oct

PY0110130888 Santiago Domestic Service in Spanish 1030 GMT 1 Oct 88

[Text] The banned Communist Party has ordered its militants to set up neighborhood governments in order to create insurrectional strongholds on the day of the plebiscite. The instructions of the Communist Party state that arms will be distributed to militia battalions that will be sent to downtown Santiago and the Alto neighborhood on the afternoon of 5 October.

It will be better for them to stay at home because the Armed Forces will be on alert to preserve public order.

Call to Arms Interferes With TV Broadcast

PY0310012388 Madrid EFE in Spanish 0206 GMT 2 Oct 88

[Text] Santiago, 1 Oct (EFE)—An unidentified voice, calling on the combatants of the ultraleftist "Manuel Rodriguez Partriotic Front" (FPMR) to take up arms and prepare for the "struggle to regain liberty," interferred tonight with a regular broadcast of one of the three Chilean television stations.

The interference became audible over television sets shortly before 2100 (0100 GMT), while Channel 13 of the Catholic University was broadcasting its regular evening newscast. An "FPMR" message gradually overpowered the voice of the Channel 13 female announcer until it was clearly heard.

The message, which lasted just a few minutes, reportedly was broadcast by "Radio Liberation, the voice of the popular resistance, in secrecy."

While video clips of the international news were being broadcast, a male voice began discussing the items "that will surely be required by the FPMR combatants during the days of struggle."

The unidentified voice added: "We must recall that in accordance with the instructions already disseminated in the shantytowns (poor neighborhoods in Santiago's outskirts), where we will establish our liberated zones, the shantytown dwellers must stock fuel, tires, blunt objects, knives, and weapons, because all of them will be required during the struggle to regain our liberty."

In the TV message, the "FPMR," which is considered by the Chilean military government to be the armed branch of the PCCh, also told its combatants that "they must remain at the sites previously designated."

"The FPMR combatants will only take to the streets on 5 October at a time that will be indicated later," the voice added, stating that "they will only do so to combat the tyranny and the bourgeoisie."

The message added that "the FPMR will not end this struggle until all the fascists, oligarchs, bourgeois, exploiters, and reactionaries are wiped out of our fatherland."

The voice presumably speaking for the ultraleftist armed group concluded by stating: "With faith in the final victory, we will fight until Chile becomes a democratic, popular, and revolutionary republic."

Barely 24 hours ago, several media organizations received in the mail a "special issue" of "EL SIGLO," the official PCCh mouthpiece, which, among other things, made a call "to defend the no-vote victory (in the plebiscite) with arms" and "to create a popular government."

In response to a telephone call by EFE, PCCh spokesman Jose Sanfuentes said that it was an apocryphal issue, adding that it is part of a government-sponsored distortion campaign against his party.

Yes-Vote Supporters Hold March in Santiago

PY0310021588 Santiago Television Nacional de Chile Network in Spanish 2300 GMT 2 Oct 88

[Excerpts] The yes-vote demonstration in Santiago is still going on. This unprecedented demonstration started today at about 1000. The yes-vote caravan stretched more than 100 blocks.

Let us review what happened this morning:

[Begin reporter recording] Early this morning yes-vote supporters started to march on downtown Santiago. Merry caravans started to march from different Santiago districts early in the day, creating a happy atmosphere in Santiago streets.

At noon today a long caravan from the Conchali District headed to Plaza Italia to express support for the Yes-vote in the upcoming plebiscite.

These people are now at 3700 Huanaco Street. They are in front of the house of community leader Maria Valdivia. Valdivia's house was completely destroyed by fire by no-vote supporters. [passage omitted]

Residents of the northern sector marched on Santiago through Independence Avenue, while residents of the southern region took Vicuna Makena, North-South, and O'Higgins Avenues. Residents of the eastern sector took Apoquindo and Providencia Streets while residents of the western sector took O'Higgins Avenue, where residents from all Santiago sectors gathered to express support for President Pinochet. [end recording] [passage omitted]

No-Vote Group Issues Plebiscite Instructions

PY0110013388 Santiago Radio Chilena Network in Spanish 1700 GMT 30 Sep 88

[Text] The National Command for the No-vote has issued a communique giving instructions on how citizens should behave on 5 October during the plebiscite.

The text of the communique, which was read by Genaro Arriagada, executive secretary of the National Command for the No-vote, is divided into two parts: the first gives instructions on behavior during the voting period, and the second part instructs citizens on what to do if the government distorts the plebiscite results.

The first part reads as follows:

[Begin Arriagada recording] 1. Ensure that voting tables are established early in the day.

2. Vote early.

3. Poll watchers should take their places at the proper voting tables and control the behavior of people at voting tables.

4. You should urge all relatives, neighboors, and friends to vote.

5. After voting, you must return to your houses or usual place of residence.

6. You must remain in your place of residence awaiting communiques and instructions that will be issued by the National Command for the No-vote.

7. You must refrain from making public demonstrations during the voting period and the scrutiny of votes.

8. You must wait for the results of the plebiscite that will be issued by the National Command for the No-vote.

9. Once the results are known, you are urged to celebrate in a peaceful and orderly manner in keeping with the instructions we will issue.

10. The National Command for the No-vote will announce a large rally to be held in a couple of days. [end recording]

During the voting period, all social organizations are urged to be alert and express their active support for the No-vote victory.

Genaro Arriagada also read instructions on how citizens should behave if the regime distorts the plebiscite results.

[Begin Arriagada recording] 1. The people must accept the results and instructions issued by the National Command for the No-vote.

2. A general pan beating must be carried out.

3. People must actively await the voting results; they must hold assemblies in social organizations headquarters and defend the will of the people.

4. Based on vote count proceeding records, the National Command for the No-vote will exhibit proof of its victory at the national and international level and before the vote counting boards and the electoral courts.

5. People must remain calm. They should avoid provocations. They must be confident that the will of the people will prevail and that very soon we shall undertake the path leading to the restoration of democracy. [end recording]

Genaro Arriagada added that the National Command for the No-vote hopes that people will express their will in a peaceful manner on the day of the plebiscite as has been the case throughout the development of the opposition campaign.

Leftist Parties To Call for Alliance With PCCh

PY0110151988 Santiago Domestic Service in Spanish 1030 GMT 1 Oct 88

[Text] Four parties that belong to the United Left and to the Command for the No-vote have revealed that after the no-vote victory they will urge the so-called democratic parties to form an alliance with the banned Communist Party and with the MIR [Movement of the Revolutionary Left].

This statement was issued recently by leaders of the MAPU [United Popular Action Movement], the Christian Left Party, the Socialist Party-Almeyda faction, and the Radical Socialist Party. The statement was read by Luis Maira, chairman of the Socialist Command for the No-vote.

Also present were Anibal Palma, president of the United Left and of the Radical Socialist Party; German Correa, a leader of the Socialist Party-Almeyda faction; and Victor Barrueto, MAPU secretary general.

The Marxists group's statement reiterated their proposal to put an end to the present institutional order by saying that the no-vote victory will constitute what they call a popular mandate to demand institutional changes.

More Polls Conducted on Plebiscite Vote

Santiago No-Vote Plurality

PY3009220488 Santiago Radio Chilena Network in Spanish 1700 GMT 30 Sep 88

[All figures as received]

[Text] The Latin American Institute for Multinational Studies [Instituto Latinoamericano de Estudios Trans-Nacionales], ILET; the South Institute [Instituto Sur]; and the Development Studies Center [Centro de Estudios del Desarrollo], CED, recently carried out a poll in the metropolitan region. According to this latest poll, 46.8 percent of citizens in the metropolitan region will vote no in the upcoming plebiscite, while 17.9 percent will vote yes.

The poll was conducted from 23 to 26 September with 801 registered voters over 18 years of age.

This was reported by Carlos Vergara, who was in charge of conducting this poll at the request of the aforementioned institutions.

According to the poll, carried out in the greater Santiago metropolitan area, 17.9 percent support the yes-vote; 46.8 percent support the no-vote; 14.4 percent are undecided; and 19 percent did not give an opinion.

The percentage of the undecided and those who did not answer added to the percentage supporting the yes-vote totals 28 percent. If the undecided and no responses are added to the no-vote, it totals 72 percent.

However, according to Carlos Vergara, pollsters are able to learn indirectly about the preference of undecided voters.

[Begin recording] [Vergara] When people are asked which sector, the yes-vote or the no-vote, has recently gained more support, only 10.7 percent answered that the yes-vote has. On the other hand, 57.4 percent answered that the no-vote has gained more support.

These are questions that help us to make projections when people refuse to answer directly. Many times people tend to express their opinion in the third person.

[Reporter] How about item 14 [words indistinct].

[Vergara] Item No 14 is more clear evidence of this. When people are asked how they believe the majority of the undecided will vote in the plebiscite, 44.3 percent say they believe the majority of the undecided will vote no, while 22 percent believe they will vote yes. [end recording]

Another result of this poll shows that the majority of those polled do not believe there will be violence if the no-vote wins but that violence and disagreements will follow a yes-vote victory.

The poll also shows that 50 percent believe that an opposition government will make them more confident and that 60 percent do not believe the opposition is dominated by the PCCh.

When asked if they believe General Pinochet has been in power too long and if it will be a good idea to elect a new president, 21.1 percent said they believe Pinochet should continue in power to finish his work, while 68.0 percent think there should be a new president.

Yes-Vote Majority

PY0110042088 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 1 Oct 88

[Text] A poll conducted at the request of foreign investors revealed that 54.8 percent of the citizenry will support the yes-vote, while 45.2 percent will support the no-vote in the upcoming plebiscite.

This information was disclosed by Patricio Torres, general manager of [name indistinct]-Chile, who said that this enterprise, which specializes in market studies, conducted a poll at the request of foreign investors interested in [words indistinct] the overall result of the upcoming plebiscite.

The poll was conducted over the weekends during the 2-12 September period and the final results revealed that 54.8 percent voiced support for the yes-vote and 45.2 percent for the no-vote.

The poll sampled 1,954 people and has a 5-percent margin of error. A total of 811 people voted in favor to the yes-vote, 670 in favor of the no-vote, and 473 votes were null or blank.

Patricio Torres explained how the poll was conducted:

[Begin recording] The method used was a mock election with the use of ballot boxes. In other words, those people interviewed secretly placed their opinion in a sealed ballot box that was opened later. The votes were counted in front of public notary [name indistinct].

The results were logged in a recordbook, a copy of which I will give you.

The people interviewed represented men and women registered with the Electoral Registry office, excluding isolated areas of the country, which represents a total of 7,120,470 voters. [end recording]

Protesters Sprayed With 'Irritating Substance'

PY0110152688 Santiago Radio Chilena Network in Spanish 2300 GMT 30 Sep 88

[Excerpts] Several people were seriously hurt by the methods the Carabineros used to repress incidents in downtown Santiago this afternoon. Nancy Polo and her son, who were seriously hurt by a water cannon while doing some chores along Ahumada Boulevard, visited our station. Ms Polo and her son stated that the water sprayed by the cannon seemed to contain some kind of acid or some other substance that burned the skin. [passage omitted]

A group of students who were protesting in front of Santiago City Hall also felt the effects of the irritating substance sprayed by the Carabinero water cannons.

Police Report Explosions, Blackout in Santiago

PA0210040888 Paris AFP in Spanish 0352 GMT 2 Oct 88

[Text] Santiago, 1 Oct 88 (AFP)—According to police reports, a total blackout affected Santiago tonight and a partial outage affected other cities in 800 km of central Chile beginning at 2250 (0250 GMT).

The blackout, which left 5 million inhabitants in the dark for 1 hour, also affected metropolitan railroad (metro) passengers, street lights, and public buildings, including La Moneda Presidential Palace, located a few meters from the AFP offices in Santiago.

According to witnesses, loud explosions were heard in various parts of Santiago prior to the outage.

Helicopters and police and security vehicles are involved in intense patrol operations in the city to prevent disorders or actions by armed groups.

No subversive organization has claimed responsibility for the downing of high tension towers, as has occurred in similar occasions.

The leftist clandestine Manuel Rodriguez Patriotic Front, which promotes "all forms of struggle" against General Augusto Pinochet's military regime, recently declared a truce for the October 5 presidential plebiscite.

High-Voltage Tower Blown Up in Coronel

PY0210010588 Santiago Domestic Service in Spanish 1700 GMT 1 Oct 88

[Excerpt] Last night operations at the National Coal Enterprise were partially interrupted after terrorists blew up a tower in the Coronel District which supplies 66,000 kw to the Concepcion region.

Rafael Munoz Loyola, security chief of the National Electric Power, Inc., of Coronel has reported to Carabineros that the attack took place in the Villa Mora area at approximately 2030.

Carabineros special forces later determined that the terrorists used an explosive device containing nearly 2 kg of ammonium gelignite to blow up the tower. [passage omitted]

Foreign Minister Returns From UN Meeting

PY3009202588 Santiago Domestic Service in Spanish 1700 GMT 30 Sep 88

[Excerpt] Foreign Minister Ricardo Garcia has returned from the United States. He noted that the objectives of his mission at the 43d UN General Assembly were fully accomplished.

After arriving at the international airport from New York, the foreign minister said he will give a full report on his activities to the president of the Republic. Garcia will hold a news conference on Saturday, 1 October. [passage omitted]

Colombia

Purported CNG Response Rejects Peace Plan

PA3009142288 Madrid EFE in Spanish 0614 GMT 30 Sep 88

[Text] Bogota, 29 Sep (EFE)—The Simon Bolivar Guerrilla Coordinating Board [CNG], which comprises the main rebel organizations in Colombia, today rejected President Virgilio Barco's peace plan, which is termed an "ultimatum," according to a document sent to EFE.

Even though the document is signed by the CNG's "executive committee," it does not include any of the guerrilla commanders' signatures.

The guerrilla communique terms as an "ultimatum" the peace plan issued by Barco on 1 September, and it indicates what the CNG's conditions would be for attaining peace in the country.

The conditions include ending the "dirty war," which has caused about 1,500 political murders in 1988—70 percent of which were leaders of leftist parties and movements, activists, labor leaders, peasants, and human rights defenders.

The guerrilla organizations also demand that the government respect the Geneva accords on war and people's rights.

The CNG adds another condition for the achievement of peace: The government must carry out political, economic, and social reforms that the country needs. According to the rebels, the lack of those reforms has caused the war.

Official statistics indicate 46.5 percent of Colombians are poor, and 50 percent of the poor live in the most abject poverty.

The CNG added that Barco's plan seems to be designed for a defeated guerrilla movement, and it adds that the rebels' last two military actions—attacks on towns and villages, and the destruction of police posts with explosives—prove the contrary.

If the document signed by the CNG is authentic, it would be the guerrilla groups' official answer to Virgilio Barco's peace plan.

Barco Says Country Not Requesting New Loans

PA0210043488 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 2 Oct 88

[Report of interview with President Virgilio Barco by Hernado Martinez in Bogota "today"—recorded]

[Text] President Barco said Colombia's handling of domestic economic policies and the foreign debt frees the country from pressures to renegotiate the foreign debt. He said that right now Colombia is not requesting new loans; instead, it is just recycling the debt.

[Begin Barco recording] Of course if this, which is cheaper than renegotiation, cannot be done, then we will renegotiate. What is the problem? All countries have publicly said—including the heads of the most important lending institutions—that Colombia has been a model country. [end recording]

Faced with the criticism of the comptroller general [Rodolfo Gonzalez], Barco stated that Rodolfo Gonzalez has the right to criticize.

[Begin recording] [Barco] The comptroller general has a right to criticize just like anyone else. This is a free and democratic country!

[Martinez] Are his criticisms true?

[Barco] I am involved in this, so you better go and ask the country. [end recording]

The president made these statements after swearing in 3,000 regular soldiers and 1,000 military students, who swore to give their lives for the fatherland and Colombians, while military bands played martial music.

Foreign Minister Speaks at UN General Assembly

PA0110225388 Bogota EL SIGLO in Spanish 28 Sep 88 p 5-B

[Text] Speaking before the UN General Assembly, Colombian Foreign Minister Julio Londono Paredes stressed that one of his greatest concerns is that drug traffickers and terrorist groups have the resources to fight the legally established democratic institutions.

"The dangerous, absurd, and uncontrolled marketing of weapons all over the world has very serious consequences for those countries that are affected by these problems and for democratic governments that are facing destabilization attempts by groups intervening in their domestic affairs," Londono said.

At this international forum, the Colombian foreign minister criticized the hypocrisy evident from a study of these problems. Sometimes, he said, many of those who call themselves defenders of peace and security are the ones who supply weapons to those fighting against peace and security in other places in the world.

Londono complained that some weapons manufacturers virtually encourage weapons smuggling. He added that the entire world, with no exceptions, is the victim of an absurd situation created by economic interests and by some people's greed.

"We therefore believe that this issue [weapons smuggling] should be faced with determination and courage. We should not continue ignoring the seriousness of this issue or its repulsive consequences, particularly when the benefits of detente are being seen around the world," he said.

The Colombian foreign minister also criticized the use of chemical weapons. He condemned not only those who use chemical weapons, but also those who provide raw materials and the technical assistance to manufacture them. He said that the responsibility is shared by those who use such weapons and by those who, for commercial reasons, make chemical weapons easily accessible.

During his speech at the UN General Assembly, Londono expressed the hope that negotiations to solve the Malvinas sovereignty problem will soon be resumed. He also said that the Colombian Government would be pleased with the establishment of a peace and cooperation zone in the southern Atlantic.

In a clear reference to the conflict Colombia currently has with a neighboring nation [not further identified], the Colombian foreign minister confirmed his country's unconditional support for resolving conflicts through the peaceful procedures established in the UN Charter. "We have faith that there will be a resolution of the Central American conflict without intervention and with the self-determination of nations."

As for the foreign debt problem, Julio Londono believes that it is not possible to postpone this issue, which each day becomes more complex and a greater factor in disturbances.

"The foreign debt problem has brought some disappointment to those who have no other alternative but to declare that they cannot meet their commitments. Indifference or ambiguous positions do not help us pull ourselves out of the abyss in which this situation—which should be simultaneously faced by debtors and creditors—has placed us."

To try to ignore the absolute necessity of finding general formulas, Londono asserted, would be the same as carrying explosives around with you, which has consequences that we are all fully aware of but do not want to admit.

Oil Pipeline Attack Halts Pumping 8-10 Days

PA0210133688 Paris AFP in Spanish 0306 GMT 2 Oct 88

[Text] Bogota, 1 Oct (AFP)—It has been officially reported that more than 20,000 barrels of export oil were lost today as a result of a new dynamite attack on Colombia's main oil pipeline by guerrillas.

The repair of the pipeline has been delayed by fear that the area around the site of the attack, in the Arauca region on the border with Venezuela, has been mined by insurgents of the pro-Castro Army of National Liberation (ELN).

According to the police and Ecopetrol [Colombian Petroleum Enterprise], powerful explosives destroyed more than 10 meters of the 24-inch-thick [as received] pipeline at the 75-km marker, seriously damaging two valves and causing an approximately 1,000-meter-wide oil spill.

An Ecopetrol spokesman said pumping will be halted for 8 to 10 days. He added that the company is checking other damage detected after this Saturday's attack on the 790-km-long Cano Limon-Covenas oil pipeline, which crosses the country from east to northwest.

The ELN, which wants energy resources nationalized and multinational companies ousted, has staged nearly 50 attacks on the pipeline and other petroleum and coal industry facilities so far this year, causing heavy financial losses.

FARC Kills 15 Soldiers, Wounds 13 in Ambush

PA0310013488 Paris AFP in Spanish 2358 GMT 2 Oct 88

[Text] Bogota, 2 Oct (AFP)—Fifteen soldiers were killed today in Colombia during an ambush by FARC communist guerrillas in Caqueta's southern jungles, military sources reported from Florencia, the capital in that area of the country.

Another 13 soldiers were wounded in the same attack.

Reports at 2345 GMT on 2 October were partial, but it was reported that a military patrol was attacked on a road under construction between Pauguil and Cartagena del Chiara.

FARC rebels killed 28 soldiers during an ambush in the same area in late 1987.

17 Dismembered Bodies Found on Puerto Boyaca Farm

PA0110024388 Madrid EFE in Spanish 0114 GMT 30 Sep 88

[Text] Bogota, 30 Sep (EFE)—The dismembered bodies of 17 businessmen who disappeared in November were found in Puerto Boyaca, on a farm used by emerald traffickers, death squads, drug traffickers, and guerrillas.

The victims left Puerto Berrio, a city on the coast of the Magdalena River in Santander, and headed for Medellin, Antioquia, to sell a shipment of office equipment and electrical household appliances worth millions.

General Miguel Alfredo Maza Marquez, director of the Administrative Department of Security (DAS), today informed reporters of the discovery, adding that suspects have been identified.

Other police sources said that the businessmen were attacked and murdered by a group of paid assassins led by Marcelo Perez, owner of the El Diamante farm in Puerto Boyaca.

Luis Rubio, mayor of Puerto Boyaca, said that he does not know if the 17 bodies are those of the businessmen reported missing in November and that authorities in his city have not officially informed him of the discovery.

Agreement Increases Coffee Export Quota

PA0210204488 Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 2 Oct 88

[Summary] An agreement signed by members of the International Coffee Organization in London allows Colombia to increase its annual coffee export quota to 8.9 million bags. The agreement, which becomes effective today, is a resounding victory for the Colombian delegation headed by Jorge Cardenas Gutierrez, manager of the Federation of Colombian Coffee Growers.

Ecuador

Nicaraguan Energy Minister Meets With Borja

PA0210214388 Madrid EFE in Spanish 0659 GMT 2 Oct 88

[Text] Quito, 1 Oct (EFE) — Nicaraguan Energy Minister Emilio Rapacciolli is visiting Ecuador to arrange oil purchases and discuss technical cooperation between the two countries.

According to reports issued today by the Ecuadoran Social Communication Secretariat, the Nicaraguan minister met yesterday with President Rodrigo Borja and with his Ecuadoran counterpart, Diego Tamariz, to whom Rapacciolli proposed establishing hydroelectric and geothermic energy bilateral cooperation.

Energy Ministry sources also reported that the Central American minister, whose visit was not officially announced, discussed Nicaraguan participation in an international bid called by Ecuador to buy 24,000 barrels of crude oil and by-products.

Rapacciolli noted that cooperation between Ecuador and Nicaragua would be conducted "on the basis of the excellent diplomatic relations existing between them."

Diplomatic relations between Ecuador and Nicaragua, suspended in October 1985, were reestablished in August when the Social Democrat Rodrigo Borja was sworn in as president.

Paraguay

Stroessner Visit to Taiwan 'Postponed'

PY0310013488 Asuncion HOY in Spanish 2 Oct 88 p 12

[Text] The Foreign Ministry yesterday afternoon issued a communique that states:

"The State Protocol Directorate hereby reports that the visit His Excellency President Alfredo Stroessner was planning to the Republic of China in October has been postponed. Both countries agreed to this in view of the present situation.

"The loan agreements that were to be signed during the visit will follow normal proceedings. They will be signed at the proper time, on a date to be established by the two governments.

"At this time, the two governments reassert the cordial and close ties of friendship and the cooperative relations between the peoples and the governments of the Republic of Paraguay and the Republic of China."

The communique is dated 1 October 1988.

PLRA Demands Release of Union Leaders

PY0210005088 Asuncion ULTIMA HORA in Spanish 30 Sep 88 p 8

[Text] The Authentic Radical Liberal Party (PLRA) has issued a communique expressing "its solidarity with union leaders Aldo Vera, Luis E. Sciaca, Roque Vera, Reinaldo Peralta, and Cira Novara, who were detained recently."

"These union leaders, who belong to the 'Social Promoter' [Promotores Sociales] organization and the OTEP [Paraguayan Education Workers Organization], have been in custody since 21 September. The PLRA Executive Board repudiates the arbitrary attitude of the police because they have not allowed the detainees to appear in court despite the fact that a petition for habeas corpus was filed on their behalf," the communique says.

The communique goes on to say that "in addition to these arrests, homes and properties of opposition politicians have been burned and they have been physically attacked. These incidents are repeatedly occurring in the country."

"These incidents perpetrated by the regime's repressive forces show their disregard for private property and respect for people. They not only represent flagrant violations of the Constitution and laws, but also the increasing fear of the political repressive system as a result of its desperate weakness or anxiety, which prompt it to arbitrarily mistreat Paraguayan society.

"The PLRA demands the immediate release of the union leaders and the reparation of the material and moral damages caused to the owners of the homes which have been intentionally burned in the villages of San Jose and Coronel Oviedo," the communique concludes.

Police 'Violently' Repress Demonstration by Women
PY0210012288 Asuncion ULTIMA HORA in Spanish 1 Oct 88 p 13

[Text] This morning the police violently repressed a group of women who gathered at the Juan E. O'Leary Square to repudiate incidents that occurred there on the first day of spring when women of various ages were undressed and mistreated by young thugs.

The police violently beat several demonstrators and pushed an ULTIMA HORA journalist who was fulfilling his duties in an attempt to expel him from the location. One of the policemen told the journalist: "Mind your own business, move along." The other policeman justified the action against one of the demonstrators, claiming that she had attacked him.

The demonstrators told the policemen: "Our daughters were here during the incidents and you did not take any action. Why do you take repressive measures now?"

An MDP [Popular Democratic Movement] member was arrested.

Peru

2 'Planning' Attack on U.S. Embassy Arrested
PY0210021588 Lima Television Peruana in Spanish 0100 GMT 2 Oct 88

[Excerpt] Several of the terrorists who attacked the police post in Nuevo Imperial, Canete, in which seven policemen were killed, have been captured. This was announced by Deputy Interior Minister Agustin Mantilla, who also mentioned the arrest of a group of terrorists who were planning to attack the U.S. Embassy.

[Begin Mantilla recording] We have had terrorist actions lately. I have just been informed that a group of criminals—we do not know what organization they belong to yet—were spotted near the U.S. Embassy about half an hour ago. Two were arrested. We may have more information later. [passage omitted] [end recording]. [passage omitted]

Further on Arrests
PY0310124788 Buenos Aires TELAM in Spanish 0248 GMT 3 Oct 88

[Text] Lima, 2 Oct (TELAM-EFE)—One policeman and one civilian have died during an attack on police premises in the Peruvian Department of Huanaco, and (?two) alleged members of the Shining Path group were arrested when they were apparently on their way to attack the U.S. Embassy.

The incident in Huanuco, a department located northeast of Lima, occurred on 30 September in the zone of Paucarbambilla when a gruop of alleged Shining Path subversives shot up a Civil Guard recreation center after detonating a car bomb.

Today the newspaper EXPRESO reported that policemen who were in the premises repelled the attack, and one of them, Alejandro Ramos, was killed, as was a civilian who was caught in the crossfire.

In Lima, Deputy Interior Minister Agustin Mantilla has told the newspaper EL COMERCIO that on 1 October the police captured two people who were transporting weapons and explosives in the neighborhood of the U.S. Embassy, which is located on a downtown avenue of this city.

Mantilla stressed that according to police reports, those people were on their way to attack the embassy.

On 28 September five policemen were murdered by a Shining Path commando in an attack with firearms and explosives on a Civil Guard post in Nuevo Imperial, 149 km south of Lima.

Since 1980, when Shining Path began its armed actions, at least 12,000 people have died at the hands of either the guerrillas or of the security forces.

3 Shining Path 'Leaders' Arrested in Tulpo
PY3009025488 Lima LA REPUBLICA in Spanish 13 Sep 88 p 16

[Text] Trujillo—Three Shining Path leaders, said to be deputies of the Shining Path's No 2 man Osman Morote, have been arrested by police in Tulpo, Angasmarca District, Santiago de Chuco Province, La Libertad Department.

The three subversives, considered to be the heads of the North S.L. [expansion unknown] Regional Committee, were identified as Olegario Alayo Vasquez, 28; Santos Siccha Pereda, 26; and Antonio Salvatierra Gutierrez, 57. They worked under Osman Morote's direct orders and are charged with responsibility in various attacks, crimes, and sabotage over the last 14 months.

The arrests are next in importance only to the arrest of Victor Salvatierra Alayo, alias Comrade "Raul," also in Tulpo, La Libertad Department, on 17 April 1987. Victor's last names indicates he is a relative of those just arrested who have carried out the tradition of "Comrade Remigio."

"Comrade Raul," as opposed to Olegario Alayo Vasquez and Santos Salvatierra Gutierrez, seriously jeopardized Osman Morote's situation when he identified Morote as "the man who gave the orders."

The three dangerous individuals were arrested at their homes where police found large amounts of explosives, several boxes of dynamite sticks, fuses, and a large amount of Shining Path propaganda.

The police also seized documents with inscriptions in code with Osman Morote's name on them. The documents had marks on several attack zones called "strategic" zones. Severl maps of different towns were also found.

Trujillo police have said the three subversives were responsible for the recent attack on Angasmarca's police station that ended without major injuries.

Police sources have said these arrests will seriously jeopardize "Comrade Remigio."

After these important arrests, the combined forces of the Civil Guard, the Republican Guard, and the Peruvian Investigative Police launched combing operations throughout the department's hills in search of other Shining Path cells.

The combing operation included, among other areas, Santiago de Chuco, Cachicadan, Quiruvilca, and nearby settlements.

Trujillo police still remember that 3 years ago they found out about a man called "the Cuban," later identified as Osman Morote, in Santiago de Chuco and Sanchez Carrion. Morote and Comrades Ana and Maria were arrested in June this year.

The influence of terrorists in these areas was so great that high school graduations in Santiago de Chuco Province used to be named after Shining Path leaders.

Last year the school Cesar Vallejos, in Santiago de Chuco, had a graduation that carried the Quechua name "Arilla Chasca." In Spanish it means Shining Path.

Trujillo police believe the arrest of the Shining Path leaders will weaken the subversive activity in the "three guerrilla zones" in La Libertad Department.

4 Members Captured

PY3009161588 Lima EL COMERCIO in Spanish
15 Sep 88 p A-10

[Excerpt] A group of policemen have captured four members of the Shining Path who were exercising in the Sinchi-Roca District Park.

The Antiterrorist Directorate (Dircote) agents identified the captured terrorists as Tania Cruz Chavez, alias Comrade Norma; Maria Herlinda Villegas Guevara; Felix Rafael Mendes Cruz; and Carlos Enrique Galvan Montero.

The latter is the brother of Judith Galvan Montero, alias Chata Judith, who is being kept at the Miguel Castro Castro Jail at Cantogrande. She was sentenced for the attempted murder of Alberto Kitasono. During this attack, four people were killed.

Reportedly the terrorists were captured as a result of a pursuit operation started by Dircote members a few days ago. [passage omitted]

'Important Member' of MRTA Column Arrested

PY3009163888 Lima EL COMERCIO in Spanish
15 Sep 88 p A-10

[Text] The police have arrested Juan Antonio Leon Montero, aka Comrade Jose, who is regarded as an important member of a terrorist column that conducted attacks in the San Martin jungle under the leadership of terrorist Victor Polay Campos, aka Comrade Rolando.

The Dircote [Antiterrorist Directorate] has also reported that Leon took part in terrorist attacks with Nestor Serpa Cartolini, another top MRTA leader.

According to investigations, a so-called Comrade Lucho convinced Comrade Jose to join the MRTA in July 1986.

Until March 1987 Leon distributed leaflets on streets and squares, painted slogans on the walls of public buildings, and delivered food—which was stolen from well-known business firms—in shantytowns.

In mid-August 1987, Leon got into touch with Comrade Mario, with whom he traveled to the village of Tarapoto to join the MRTA northeastern column led by Polay Campos and Emilio Salas Saldana, aka Comrade Moises, among others.

As a member of the MRTA, Leon participated in the attack against the Civil Guard Posts of Tabalozos, San Martin, and Solitor. During the first half of November, he participated in an attack on the GC [Civil Guard] in the township of Juanjui.

During this attack, GC Lieutenant Jorge Cieza Lacho was killed by the MRTA terrorists, who also seized large amounts of weapons, ammunition, and grenades. A few hours later the terrorists attacked the village of San Jose de Sisa.

Leon was arrested in Lima by Dircote personnel. Leon had been kept under surveillance for several months after his return from the jungle, where the MRTA was practically annihilated by the Army.

Leon was placed at the disposal of the court on terrorist charges.

'Terrorists' Kill Governor in Concepcion Province

PY3009165188 Lima EL COMERCIO in Spanish
13 Sep 88 p A-10

[Text] Huancayo, 12 Sep—Comas District Governor Adolfo Mercado, 35, who is an APRA supporter, was killed yesterday by terrorists in Concepcion Province, 75 km northeast of Huancayo. Comas Mayor Eng Hugo Buendia managed to escape when he realized the terrorists were looking for him.

Mercado, who was hit twice in the head, was forced to leave his house at 3:00 in the afternoon, despite the pleas of his wife and his three young children.

The terrorists killed Mercado after gathering the townspeople at the main square. His body was removed from the square this afternoon. The terrorists abandoned the place in a D-300 truck and headed for the highlands.

A bomb blast killed a minor and injured two adults in Villa Azul district, near the Campo Armino camp of the Mantaro Hydroelectric Plant, located in Colcabamba Province, Huancavelica Department.

The police are investigating this attack, in which Damaso Vilchez Tristan, 12, died and Santos Ramirez Lapa, 22, and Nemesio Llantoy Lapa, 22, were injured.

Ex-Navy Officer Seriously Hurt in Attack

PY3009202388 Lima EL COMERCIO in Spanish
16 Sep p A-10

[Excerpts] A retired Navy captain was seriously injured by six Shining Path guerrillas when he was taking his daughter to school in La Molina. The GC [Civil Guard] has arrested four of the terrorists.

The officer was identified as Luis Tenorio Benavides, 43, who sustained four bullet wounds, two in his stomach and two in his legs. Benavides was taken to the Montefiori private clinic where he underwent surgery.

The officer courageously used his body to protect his daughter Maria Christina Tenorio Seguin, 6, who was in the officer's car. Maria Christina was unharmed, but she was psychologically affected because of the dramatic situation she went through. [passage omitted]

Four terrorists got out of a car, threw two dynamite sticks under Benavides' car, and fired at point-blank range at the front windshield. The car was hit by approximately 14 bullets.

Benavides saved his daughter's life by protecting her with his own body, but he was hit four times in the effort.

A military unit commander and one of his bodyguards, who were passing by the location, repelled the attack as soon as they realized what was happening. [passage omitted]

Student Jorge Flores Valverde, 26, who is a La Molina resident; Efrain Gamboa Yepez, 28, who is in UNI [National University of Engineering] student; and Teofilo Vargas Tapia, 25, a former psychology student at the San Martin de Porres University, were arrested as they were "casually" walking by. [passage omitted]

A GC second lieutenant then arrested Felisandro Flores Flores, 21, another member of the terrorist group who was pretending to be totally unaware of the incident. Flores was carrying a stick of dynamite.

Benavides was taken to the Montefiori public [as published] clinic where he underwent emergency surgery. He is in serious condition.

'Subversive' Injured Handling Home-Made Mortar

PY3009185988 Lima EL COMERCIO in Spanish
18 Sep 88 p A-10

[Excerpt] A presumed subversive lost his right hand and sustained other injuries when a home-made mortar, loaded with four dynamite sticks, exploded. The subversive, along with four other individuals, was attempting to fire the mortar at the Economy and Finance Ministry building.

The injured subversive, who was identified as Julio Isaias Cespedes Olortegui, 28, was taken by his companions to the UNIR [expansion unknown] offices, at 258 Puno Street, where they abandoned him and fled.

Civil Guard (GC) emergency squad personnel found Olortegui and took him to the 'Casimiro Ulloa' hospital of San Antonio (Miraflores district), where the doctors performed emergency surgery on him.

Interior Ministry sources have reported that Julio Valverde Aranda, Abraham Luna Alvarado, Amador Campos Quesquen, and Dimas Aguirre Vargas, who tried to hide the injured subversive and the mortar, were detained during a police dragnet. All of them were placed at the disposal of the Dircote [Antiterrorist Directorate].

A policeman, who did not want to identify himself, has said that Julio Isaias Cespedes Olartegui possessed several documents identifying him as assistant to two leftist senators and a leftist deputy. [passage omitted]

New Province Created in Tacna Department

PY3009202988 Lima EXPRESO in Spanish
16 Sep 88 p 21

[Summary] The government has promulgated Decree No 24,887 creating Candarave Province in Tacna Department. This province, whose capital is Candarave, is made up of the Cairani, Curibaya, Candarave, Huanuara, Quilahuani, and Camilaca Districts.

Guyana

Hoyte: Government Not Trying To Control Unions

FL3009164588 Bridgetown CANA in English
1550 GMT 30 Sep 88

[Text] Georgetown, Guyana, Sept 30, CANA—President Desmond Hoyte on Friday strenuously denied charges from the country's labour movement that the government is trying to control trade unions here, denouncing the allegations as "hysterical, absurd and untrue."

A statement from Halim Majeed, principal political officer in the office of the president, said that seven dissident unions affiliated to the 24-union Trades Union Congress (TUC), which made the charges, should either offer proof or withdraw their claims.

"(They should) either provide the public with credible proof of their allegations, or show some decency by retracting them without reservation," Majeed said in a statement.

In what some observers interpret as a thinly disguised threat of legal action, the statement added:

"The president reserves the right to use all means at his disposal to defend the integrity of his office and the reputation of the government and the party which he has the honour to lead."

President Hoyte's response came days after the seven dissident union leaders claimed that pro-government labour leaders deliberately acted to prevent their election to the leadership of the TUC in last weekend's elections for a new executive. The seven walked out of the body's annual conference in protest, and some are reportedly contemplating creation of a rival group.

The dissident labour leaders, headed by George Daniels, a former president of the TUC and president of the Public Service Union, accused the government of trying to kill trade union militancy, and of seeking control of the country's labour movement.

"The president rejects that Mr. Daniels and his associates should seek, without any justification whatsoever, to involve him in the internal wranglings of the TUC," said the statement from Majeed.

"(The government) has no intention of either killing trade union militancy—whatever that might mean—or of controlling the TUC," the statement added.

Majeed quoted excerpts from a speech President Hoyte made to a 1986 TUC congress in which he reaffirmed his government's and party's policy of independence of the trade union movement, and in which he pledged they will not participate in any scheme to allocate offices in the TUC on a political basis. In that speech, Hoyte also expressed deep concern at divisions in the local labour movement, warning that this tarnished its image, weakened its efficiency and "precluded it from taking advantage of the exciting opportunities to open it for advancing both the worker's and the nation's interests."

Majeed, in his statement, said that it seemed the divisions persisted in the TUC, and insisted it was wrong to blame the government or the president or the ruling People's National Congress for this "deep-seated malaise."

"The president has never interviewed and has no intenion of intervening in the domestic affairs of the TUC," the statement added.

Cooperation Agreement Signed With Zimbabwe

FL3009232588 Bridgetown CANA in English
2138 GMT 30 Sep 88

[Text] Georgetown, Guyana, Sept 30, CANA—Guyana and Zimbabwe Friday signed an agreement clearing the way for cooperation in a wide-range of areas between institutions of the two countries.

A key feature of the agreement signed in the boardroom of the Ministry of Agriculture here at the end of the inaugural meeting of the Guyana-Zimbabwe Joint Permanent Commission on Cooperation, is provision for cooperation in the field of agriculture.

Sources close to the four-day meeting told CANA that highlights of the programme for cooperation in agriculture include Zimbabwean assistance to Guyana with its dairy and beef production and the exchange of germ plasm for the production of a number of crops, including soya beans.

In the area of dairy and beef production, the sources explained, talks were initiated earlier this year during a visit by a Zimbabwe delegation which has been working closely with the Guyana Sugar Corporation's fledgling dairy development programme. This is part of its diversification activities. They have also been working with officials of the National Dairy Development Programme and the National Agricultural Research Institute.

At a news conference shortly before signing the agreement, heads of the Zimbabwe delegation to the joint commission meeting, minister of lands, agriculture and rural development, David Karimanzira, explained that the agreement provides for cooperation in agriculture, education, health, trade, tourism, youth, sports and culture. Karimanzira also told journalists that the meeting explored the possibilities of the two countries embarking on joint venture commerical activities within a framework of South-South cooperation and especially in the field of agriculture. In this regard, he noted that there are good possibilities in cotton for the Guyana market and rice for the Zimbabwe market. In addition, Zimbabwe, which now imports most of its rice, can benefit from Guyana's vast experience in this area, while Guyana, which needs cotton and is now carrying out research in cotton production, can benefit from Zimbabwe's experience in this field.

The agreement, he said, will facilitate cooperation in helping Guyana develop its safari-type tourism, the twinning of universities in the two countries, the exchanging of cricket teams with a view to popularising cricket in Zimbabwe, the training of Guyanese in stone carving and the training of Zimbabweans in the playing of the steelband.

Karimanzira said the just-ended meeting was an action-oriented one and timeframes were clearly established for implementing the several decisions of the joint commission which he said will convene biennial. He said Zimbabwe has grown to appreciate the importance of joint commissions such as the one with Guyana and has found that these commissions constitute one of the best ways of bringing together countries like Guyana and Zimbabwe from the south.

He said Guyana is the first and to date, the only Caribbean country with which Zimbabwe has institutionalised such an agreement but it hopes to establish similar arrangements with other Caribbean countries. Shortly after signing the agreement Karimanzira and his delegation left for home.

Suriname

Cease-Fire Efforts 'Appear To Be Stalemated'

FL3009151088 Bonaire Trans World Radio in English 1130 GMT 30 Sep 88

[Text] In Suriname there is still no official peace with the rebels under Ronnie Brunswijk. Cease-fire efforts appear to be stalemated. President Ramsewak Shankar has said his government would do its utmost to bring peace, stability, and security to war-torn eastern Suriname. That was 4 weeks ago. Still no dialogue. The Army has a lot of power in Suriname and they oppose talking with the rebels. On top of that, the Bush Negro chiefs, who support the rebels, refuse to go to Paramaribo for talks.

Foreign Ministry Workers Suspend Protest Action

FL3009204488 Paramaribo International Service in English 1730 GMT Sep 88

[Text] The workers of the Ministry of Foreign Affairs yesterday morning suspended their protest action. During the general assembly meeting yesterday, the workers agreed that the results reached by the union boards are acceptable.

On Tuesday morning last, the workers union [words indistinct] on a work-to-rule, following the expiration of the ultimatum which was submitted to the ministry. The union, which made a 16-point demand, negotiated for more than 10 hours with Foreign Minister Eddy Sedoc, according to (Mayra Scara), the vice chairman of the union. Under the agreement, the working conditions will be improved.

The union also reached agreement on the question of promotions. Promotions which were made during the change of government are now being examined. (Mayra Scara) told our newsroom that the union, as well as the management of the ministry, will see to it that the agreement will be executed correctly.